ALAMEDA LANDING MIXED USE DEVELOPMENT

SEIR Addendum

Prepared for
City of Alameda

December 2011

ESA

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SECTION 1
Background and Purpose of this Addendum

Background

The *Catellus Mixed Use Development Environmental Impact Report* (EIR) was certified on June 1, 2000. An addendum to that EIR was approved in 2002. The Catellus Mixed Use Development included plans for 485 single-family homes and 101 multi-family residential units, a seven-acre site dedicated to the Alameda Unified School District for a 600-student Kindergarten-through-eighth-grade school; 15 acres of public open space, neighborhood parks, mini-parks, and waterfront promenades; and approximately 1.3 million square feet of commercial office/research and development (R&D) space, including supporting ground floor retail space. The approved project included construction of portions of 5th Street, the Mitchell Avenue Extension, and Willie Stargell Avenue (formerly Tinker Avenue) to serve the site. The first phase of development approved under that EIR consisted of the 485 single-family homes, 101 multi-family units, elementary school, and 7 acre public park known as Bayport Alameda. This phase was completed in 2009. The second phase of the project is known as the Alameda Landing Mixed Use Development, or commonly, Alameda Landing.

In 2006, the *Alameda Landing Mixed Use Development Supplemental* EIR (SEIR) was certified by the City of Alameda, with subsequent addendums in 2007 and 2008. This effort provided CEQA clearance for 400,000 square feet of office, 50,000 square feet of waterfront retail north of Mitchell Ave, a 250,000 square foot retail shopping center south of Mitchell Ave, 300 residential units, and a 20,000 square foot health club in lieu of the previously entitled 1.3 million square feet of commercial office/research and development (R&D) space.

The currently proposed project addressed by this SEIR Addendum maintains the office, residential and health club uses as proposed in the 2006 SEIR; however, it shifts 35,000 square feet of retail uses south of Mitchell Avenue. In addition, a proposed Target store would comprise a large component of the retail area. The Target would have a higher trip generation rate than a typical shopping center (Fehr & Peers, 2011). This SEIR Addendum analyzes the potential for new or substantially greater environmental impacts resulting from proposed revisions to the 2006 project.

Purpose of this Addendum

The California Environmental Quality Act (CEQA) Guidelines (Sections 15162 and 15164) require that a lead agency prepare an addendum to a previously certified EIR or negative declaration if some

changes or additions to the environmental evaluation of a project are necessary but none of the following occurs:

1. There are no substantial changes in the project which require major revisions to the EIR or a substantial increase in the severity of previously identified significant effects;
2. There are no substantial changes with respect to the circumstances under which the project is undertaken which require major revisions to the EIR; or
3. No new information of substantial importance, which could not have been known with the exercise of reasonable diligence at the time of EIR certification, shows any of the following:
   (i) the project will have one or more significant effects not discussed in the EIR,
   (ii) the project will result in impacts substantially more adverse than those disclosed in the EIR,
   (iii) mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponent declines to adopt it, or
   (iv) mitigation measures or alternatives that are considerably different from those analyzed in the EIR would substantially reduce one or more significant effects on the environment, but the project proponent declines to adopt it.

This Addendum documents the potential changes to the 2006 Alameda *Landing Mixed Use Development Supplemental EIR*. As shown in the attached analysis, the potential changes to the original project, changed circumstances, and new information do not trigger any of the conditions described above, and do not require preparation of a subsequent Mitigated Negative Declaration (MND) or an EIR.

SECTION 2
Description of Proposed Changes to the 2006 Alameda Landing Mixed Use Development

Project Location

The Catellus Mixed Use Development covers an area of approximately 215 acres located in the City of Alameda in Alameda County, California. The project area, situated south of the Oakland Estuary, includes properties formerly occupied by the Alameda Naval Air Station (NAS), East Housing, and the Fleet Industrial Supply Center (FISC) Facility and Annex. Catellus Alameda Project Master Plan provisions for the southern parts of the planning area are being implemented through construction of the Bayport residential development, and portions of 5th Street and Willie Stargell Avenue (formerly Tinker Avenue).

The northern portion of the project area, which is the area subject to the currently proposed revisions, is generally bounded by the United States Coast Guard Housing (USCG Housing) development to the west, Mariner Square Loop and Webster Street (including Webster and Posey Tubes) to the east, the 485-unit Bayport residential development and 5,500-student College of Alameda to the south, and the Oakland/Alameda Estuary to the north. This area covers approximately 86.4 acres of the original Master Plan area and is, for the purposes of this Addendum, the "project site" or "project area." Regional access to and from the site is provided via the Webster and Posey Tubes, respectively, which connect Alameda to the City of Oakland immediately south of Interstate 880 (I-880).

2006 Project Overview

The *Catellus Mixed Use Development EIR* was certified on June 1, 2000. An addendum to the Environmental Impact Report (EIR) was approved in 2002. The Catellus Mixed Use Development included plans for 485 single-family homes and 101 multi-family residential units, a seven-acre site dedicated to the Alameda Unified School District for a 600-student Kindergarten-through-eighth-grade school; 15 acres of public open space, neighborhood parks, mini-parks, and waterfront promenades; and approximately 1.3 million square feet of commercial office/research and development (R&D) space, including supporting ground floor retail space.

The approved project included construction of portions of 5th Street, the Mitchell Avenue Extension, and Willie Stargell Avenue (formerly Tinker Avenue) to serve the site. The first phase of development approved under this EIR consisted of the 485 single-family homes known as

Bayport Alameda. This residential phase was completed in 2010. The second phase of the project is known as Alameda Landing. In 2006, the *Alameda Landing Mixed Use Development Supplemental EIR* (SEIR) was certified and subsequently amended in 2007 and 2008. This effort provided entitlements for 400,000 square feet of office, 50,000 square feet of waterfront retail north of Mitchell Ave, a 250,000 square foot retail shopping center south of Mitchell Ave, 300 residential units, and a 20,000 square foot health club.

The 2006 SEIR analyzed two variants of the land use plan in order to provide the flexibility to respond to future market conditions. Both variations had the following land uses in common: 400,000 square feet of previously entitled office spaces with supporting retail in the northwest portion of the site (north of Mitchell Avenue) would be retained; approximately 50,000 square feet of waterfront retail; and a 20,000 square foot health club would be entitled for the remaining area on the waterfront north of Mitchell Avenue. Approximately 21.3 acres west of 5th Street and approximately 4.3 acres of land north of Mitchell Avenue would be re-designated in the General Plan for approximately 300 housing units.

The two variants differed in the area that is east of 5th Street between Mitchell Avenue and Willie Stargell Avenue (formerly Tinker Avenue). For this 21-acre portion of the project site, the SEIR analyzed two different land uses: Variant A and Variant B. Variant A envisioned an approximately 250,000 square foot shopping center on the 21 acres. Variant B envisioned 370,000 square feet of entitled R&D space.

The City certified the *Alameda Landing Mixed Use Development SEIR* and approved the necessary amendments to the General Plan, Master Plan, Development Agreements, and other project entitlements in 2006. In connection with implementation of the approved project, the City approved Addenda to the SEIR in 2007 and 2008. The 2007 Addendum addressed revisions to the waterfront park that were necessary due to the condition of the existing wharf and the cost to seismically retrofit and stabilize the piers. The 2008 Addendum was prepared in order to address the reimbursement of expenses associated with the early expenditure of funds for Willie Stargell Avenue and Union Pacific rights-of-way and Willie Stargell construction activities; to modify project phasing to permit an early office phase in an effort to secure Clif Bar; and to extend timelines for certain construction activities. The City concluded in these addendums that project changes, changed circumstances, and new information would not result in any new or substantially more severe environmental impacts than described in the 2006 SEIR.

Proposed Changes

As described above, the currently proposed project maintains the office, residential, and health club uses as proposed in the 2006 SEIR and Addenda; however, it shifts 35,000 square feet of retail uses south of Mitchell Avenue so that there would be 285,000 square feet of retail uses south of Mitchell Avenue and 15,000 square feet of retail uses north of Mitchell Avenue. Whereas the 2006 project proposed 50,000 square feet of retail uses north of Mitchell Avenue and 250,000 square feet of retail uses south of Mitchell Avenue. A proposed Target, a free-standing

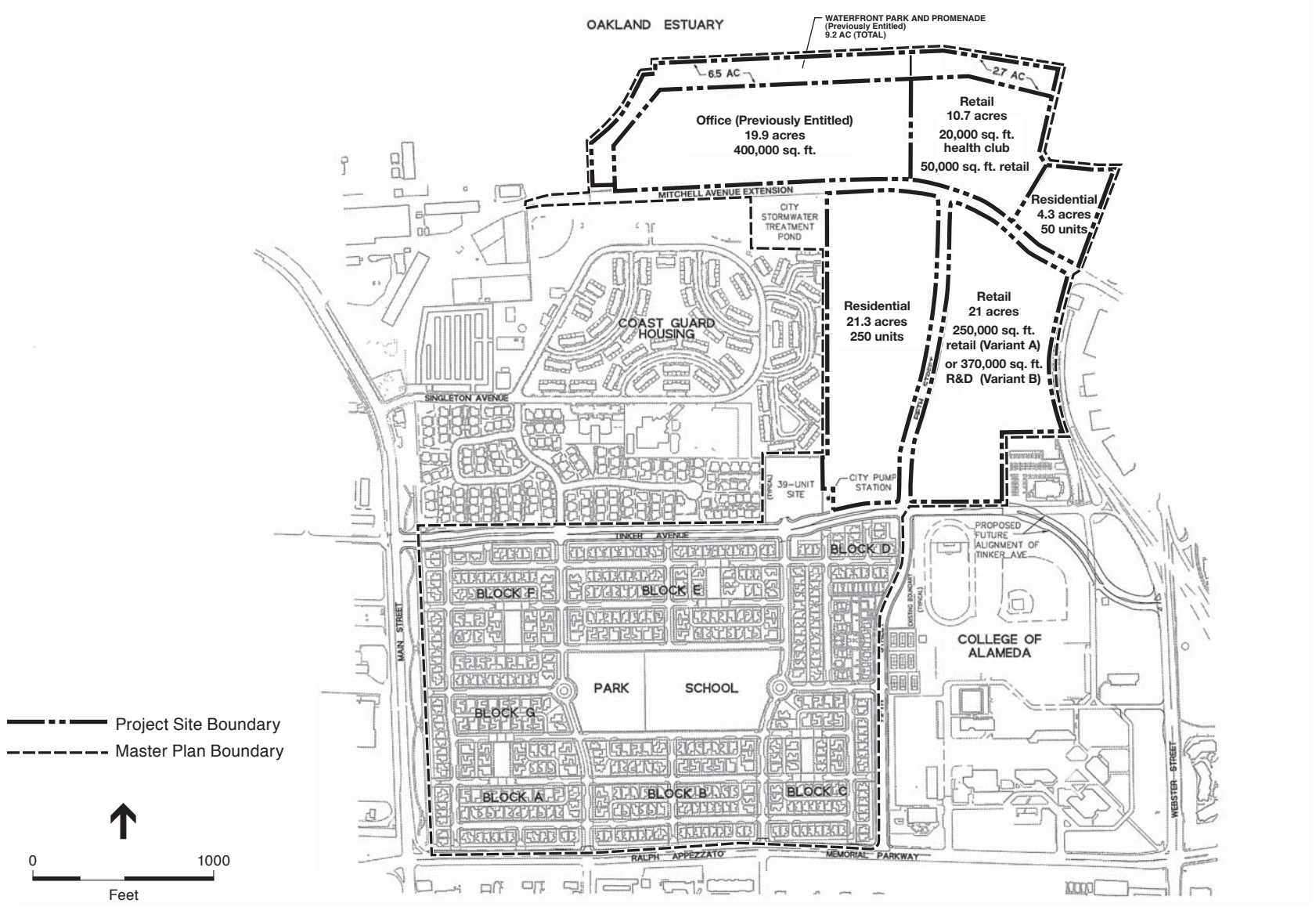
general merchandise store, would comprise a large component of the retail area. Target would have a higher trip generation rate than a typical shopping center (Fehr & Peers, 2011).

Table 1 below compares the land uses analyzed in the 2006 SEIR to the land uses currently proposed. Currently proposed changes are limited to the retail component of the land use plan.

TABLE 1
ALAMEDA LANDING MIXED USE DEVELOPMENT PROJECT – LAND USE COMPARISON

2006 Land Uses		**Proposed Land Uses**	
Office	400 (KSF)	**Office**	No Change
Residential	300 units	**Residential**	No Change
Retail	320 (KSF) - 2.5 (KSF) Fast Food - 20 (KSF) Health Club - 297.5 (KSF) Retail	**Retail**	320 (KSF) - 160 (KSF) Retail - 140 (KSF) Target - 20 (KSF) Health Club

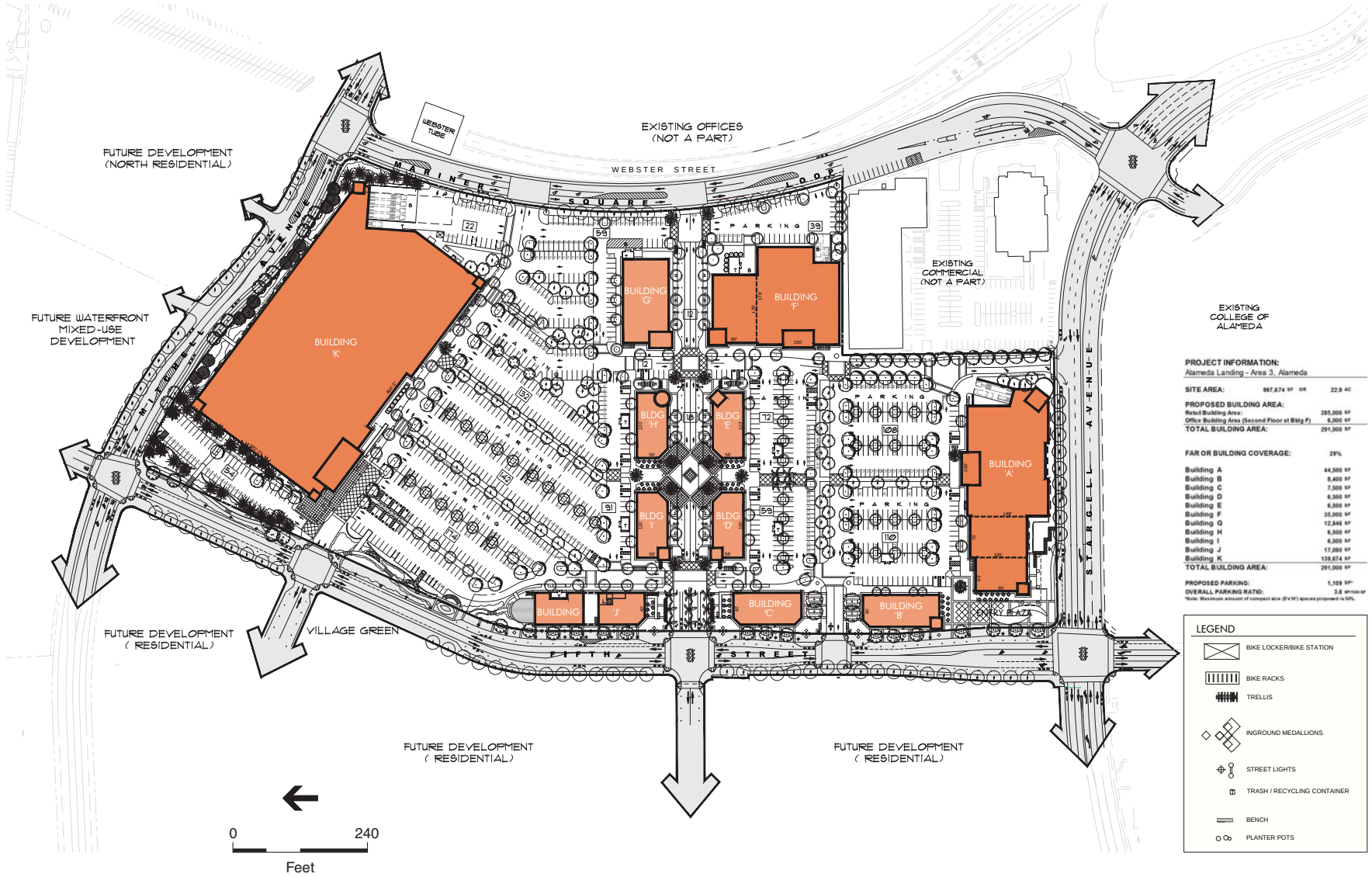
As described in the Transportation Analysis prepared by Fehr & Peers (October 2011), the revised land use plan would result in an additional 3,303 net new daily vehicle trips (+14.6%), 95 net new AM peak hour vehicle trips (+7.8%), and 340 net new PM peak hour vehicle trips (+16.9%).



SOURCE: BKF

NOTE: Proposed street alignments are conceptual and subject to change. Acreages shown are approximate and subject to adjustment.

Figure 1
2006 Mixed Use Conceptual Site Plan



SOURCE: Catellus, 2011; Kenkay Associates, 2011; and SGPA Architecture and Planning, 2011

Alameda Landing Mixed Use Development Project . 211966

Figure 2

2011 Retail Center Conceptual Site Plan

SECTION 3
Changes in Circumstances and New Information

Changes in Circumstances

The City of Alameda has examined the circumstances of the project, including cumulative projects in the vicinity, and changes within the project area since completion of the 2006 SEIR and Addenda.

Cumulative Projects

The cumulative analysis in the 2006 SEIR is based upon buildout of the General Plans of the cities of Alameda (including full buildout of the Alameda Point Preliminary Development Concept) and Oakland. Several projects have been approved (and some constructed) since 2006. A detailed listing can be found in the Urban Decay Analysis (ALH/ECON, 2011). These projects are consistent with the general plan build-out projections.

Willie Stargell Avenue

Since the 2006 SEIR, Willie Stargell Avenue (formerly Tinker Avenue) has been completed. This street was a part of original Catellus project and was accounted for in the 2006 SEIR.

Fleet Industrial Supply Center Fire

On March 29, 2009, Building 6, the former Medical/Dental Facility at the Fleet Industrial Supply Center (FISC), caught fire and was destroyed. The debris from the fire was thought to have contained hazardous materials, and the Bay Area Air Quality Management District (BAAQMD) issued an order to abate the condition. The City of Alameda immediately worked to secure the site and remove the debris. The City of Alameda engaged Vista Environmental for preparation of a work plan for removal of any hazardous materials, environmental testing, and air monitoring. The primary objective of the work plan was to provide work procedures to safely remove and clean up fire damaged asbestos containing / contaminated materials and related debris, clear the various work areas once they have been cleaned, demolish remaining structures, and properly dispose and transport the waste materials. The plan included procedures for clean-up, containerizing, and disposal of debris outside the building perimeter and inside the building footprint. The plan included an air monitoring

strategy during abatement and wetting of material and a description of post abatement asbestos soil sampling. Vista also coordinated meetings with BAAQMD. The City also engaged FERMA as the contractor for the demolition of the remaining concrete structures and to execute the work plan for removal and disposal of all hazardous materials. The site has been completely remediated and is currently vacant. Since the fire no other changes have occurred on the project site that would represent a change in circumstances.

New Information

The City of Alameda has considered the extent to which new information of substantial importance would require major revisions to the 2006 SEIR.

The 2006 SEIR analyzed the air quality impact of the project, including the emission of criteria pollutants from project-generated sources. This addendum addresses the impact of changes in the project on the prior air quality analysis. Greenhouse gas emissions and climate change have received significant public attention in recent years, but these issues have been known for well over a decade.

Climate Change

A recent line of California court decisions indicate that greenhouse gas (GHG) emissions and climate change are not "new information" if the issue was known at the time the prior EIR was certified, even if the prior EIR did not analyze it as a potential impact (*Citizens for Responsible Equitable Environmental Development (CREED) v. City of San Diego (2011) 196 Cal.App.4th 515, San Diego Navy Broadway Complex Coalition v City of San Diego* (2010) 185 Cal.App.4th 924).

Therefore, GHG and climate change was considered, it is not "new information" and a new GHG inventory or climate change analysis is not required, and is not presented as part of this Addendum.

Sea Level Rise

The 2006 SEIR analyzed sea level rise, which is a function of climate change. Water levels in San Francisco Bay have risen nearly eight inches over the past century, and scientists agree that the rate of sea level rise is accelerating. In October 2011, the San Francisco Bay Conservation and Development Commission (BCDC) approved a final report summarizing the latest scientific research on climate change. While exact future increases in sea level rise are uncertain, scientists believe it is likely that the Bay will rise 10 to 17 inches by 2050, 17 to 32 inches by 2070, and 31 to 69 inches at the end of the century. While this report presents updated estimates on sea level rise, this issue was adequately addresses in the 2006 SEIR. The project as revised would not change the analysis or conclusions on this topic presented in the 2006 SEIR. As noted above, climate change is not "new information." In addition, a recent Court of Appeals decision indicates that an EIR need not evaluate the impact of environmental conditions such as sea level rise on a project (*Ballona Wetlands Land Trust v. City of Los Angeles* [Case No. B231965]).

2010 Bay Area Air Quality Management District CEQA Guidelines

As noted above, the 2006 SEIR analyzed the air quality impacts of the project, including the emission of criteria pollutants and toxic air contaminants. The analysis was based on the BAAQMD CEQA guidelines in effect at that time. In June 2010, the Board of Directors of the Bay Area Air Quality Management District (BAAQMD) adopted updated thresholds for use in determining the significance of projects' environmental effects CEQA (BAAQMD Resolution No. 2010-06). These updated thresholds only apply to projects when the Notice of Preparation was issued, and environmental analyses begun, after January 1, 2011. Therefore, the project as revised is not subject to the BAAQMD's updated CEQA thresholds. In addition, BAAQMD's adoption of new thresholds is not "new information."

Conclusion

None of the issues above would constitute a substantial change in circumstances or substantial new information that would require major revisions of the 2006 SEIR, and therefore may be properly addressed within this Addendum.

SECTION 4
Analysis of Potential Environmental Effects

The 2006 SEIR evaluated the following environmental issues: land use; plans and policies; population and housing; hydrology and storm drainage; geology, soils, and seismicity; hazardous materials; biological resources; transportation, circulation, and parking; air quality; noise; public services; utilities and service systems; cultural resources; and aesthetics. These issues are re-evaluated in this Addendum for the proposed land use changes. This evaluation determines whether the proposed land use changes would result in any significant impacts that were not identified in the SEIR. Each section below corresponds to the original environmental checklist for the resource areas assessed in the SEIR.

A. Land Use

Land uses in the vicinity of the proposed project changes are generally described in Section 2 of this Addendum, and are the same as analyzed in the 2006 SEIR. Similar to the 2006 SEIR impact discussion, the proposed project would result in redevelopment on the project site and the construction of new land uses that would be compatible with existing land uses in the vicinity - a mix of residential, commercial, office and research and development uses. Compared to the 2006 SEIR project, the number of residential units and square footage of office and retail space would be the same. The only change is that 35,000 square feet of retail space would be shifted south of Mitchell Avenue. This retail space would be located next to other retail establishments in an area designated for retail uses. In addition, the project as revised specifically includes a large scale general merchandise store (a Target). The proposed project would not introduce land uses that would be incompatible with existing uses, approved development under the 2006 SEIR, or various proposed uses within the project site. Land use impacts identified in the 2006 SEIR are considered less than significant. The revised project would not result in any new or substantially more severe impacts than identified in the 2006 SEIR. No new mitigation measures are required.

B. Plans and Policies

The 2006 SEIR included a discussion regarding project consistency with applicable plans and policies. Similar to the 2006 SEIR impact discussion, the proposed project is consistent with General Plan policies for a mixed use redevelopment plan for the site that provides commercial, residential and open space land uses. The project site, pursuant to the Master Plan, has been zoned Mixed Use Planned Development (MX). The MX Zoning District encourages the development of a compatible variety of land uses, which may include residential, retail, offices, recreational, entertainment, research oriented light industrial, water-oriented, or other uses. The proposed land use change

would not require a General Plan or zoning amendment. Furthermore, the project is also consistent with other applicable plans and policies including the City of Alameda Bicycle Master Plan, Community Reuse Plan, BWIP Plan, San Francisco Bay Plan, San Francisco Bay Trail, and the Catellus Alameda Project Master Plan. Therefore, the project is consistent with applicable plans and policies and no new mitigation measures are required.

C. Population and Housing

The 2006 SEIR described the anticipated changes to the City of Alameda's future resident and employee population as a result of the project. It also considered the related impacts on housing from the project. The proposed project would have no additional effect on local or regional population, nor would its adoption be growth-inducing. The project as proposed has the same number of residential units and the same amount of office/retail square footage as the 2006 project. The proposed project would not result in any new or substantially more severe significant population and housing impacts than the 2006 project. No new mitigation measures are required.

D. Hydrology and Storm Drainage

Impacts to storm water runoff, flooding, drainage infrastructure, and water quality were analyzed in the 2006 SEIR. The proposed changes would introduce no new impacts, and no impacts would be substantially more adverse. Project impacts to storm water runoff, flooding, drainage, and water quality associated with the proposed project are similar as presented in the 2006 SEIR. However, the amount of impervious surface area would likely decrease from what was considered in the 2006 SEIR and, as a result of new storm water treatment guidelines established by the State Water Board, more of the project run-off would be directed to bioretention areas, which have a larger aggregate area than the regional wet pond that was originally proposed. Potential impacts identified in the 2006 SEIR include possible flooding hazards, degradation of water quality, discharge of contaminated ground water, and discharge of hazardous materials that could impair water quality. However, implementation of the mitigation measures identified in the 2006 SEIR would reduce potential impacts to less than significant levels. The project would not create a new or substantially more severe impact than identified in the 2006 SEIR.

E. Geology, Soils, and Seismicity

The 2006 SEIR evaluated whether construction and operation of the proposed project would result in potential adverse impacts related to local geology, existing soil conditions, or seismicity. The proposed project would be constructed within the same area as identified for the 2006 project. Geologic, soils and seismic hazards for the proposed project would be the same as those identified for the 2006 project. Potential impacts identified in the 2006 SEIR include possible seismic hazards, land surface subsidence, and damage due to soil shrinking and swelling. Implementation of mitigation measures identified in the SEIR would reduce impacts to less than significant levels. The proposed project would not result in any new or substantially more severe geology, soils and seismicity impacts than described in the 2006 SEIR.

F. Hazardous Materials

The 2006 SEIR analyzed public health and environmental issues related to hazards and hazardous materials at the project site. The proposed project would be constructed within the same area and would contain the same type of land uses as identified for the 2006 project. Consequently, the proposed project would result in similar potentially significant impacts associated with the use and storage of hazardous substances at the project site. Potential impacts identified in the 2006 SEIR include various possible exposures to hazardous materials during project construction and operation, health risk due to subsurface contamination, asbestos release, and exposure to subsurface soil gases. The former Alameda Naval Air Station Hospital that was located on-site burned down in March, 2009. Since the fire, the site that contained the hospital building has been remediated and is currently vacant. Since 2006, no other changes have occurred on the project site that would represent new information for the purposes of this Addendum. The adoption of the mitigation measures identified in the 2006 SEIR would reduce potentially significant impacts associated with hazardous materials to a less than significant level. The project would not create a new or substantially more severe impact than identified in the 2006 SEIR.

G. Biological Resources

The 2006 SEIR evaluated biological resources that occur or have the potential to occur on the project site or within the vicinity, and evaluated the possible project-related impacts to these resources. Construction of the proposed project would result in similar impacts to biological resources as those identified for the 2006 project. As such, the proposed project could impact pallid bats and western mastiff bats roosting areas, California least turn and California brown pelican foraging habitat, Pacific herring spawning habitat, as well as nesting raptors and birds. The adoption of the mitigation measures identified in the 2006 SEIR would reduce potentially significant impacts associated with biological resources to a less than significant level. The changes in the proposed project from the 2006 project would not affect impact conclusions in the SEIR. The project would not create a new or substantially more severe impact than identified in the 2006 SEIR.

H. Transportation, Circulation, and Parking

Table IV.H-4a in the SEIR presents the trip generation for the project as approved. The results of this table are presented in the Transportation Analysis prepared by Fehr & Peers (included as Attachment A) and compared to the trip generation for the proposed land use. Tenant specific trip generation was used from the Target Developer Guide for this particular land use due to its unique trip generation. The rate used by Target is 17.5 percent higher than ITE's recommended "Free-Standing Discount Superstore" (which also has considerably higher generation than a typical "Shopping Center"). The remaining uses are consistent with those found in the Institute of Transportation Engineer's (ITE) *Trip Generation*. As described in the Transportation Analysis, the revised land use plan would result in an additional 3,303 net new daily vehicle trips (+14.6%), 95 net new AM peak hour vehicle trips (+7.8%), and 340 net new PM peak hour vehicle trips (+16.9%). As discussed in the Transportation Analysis, the trip generation calculation for the

new project description resulted in an approximate 15 percent increase in traffic generation over the approved land use plan. However, the increase in vehicle trips associated with the revised project description did not change any roadway LOS and did not cause any new or substantially more sever significant impacts based on the significance criteria identified in the SEIR. As identified in the 2006 SEIR, impacts T/C-6, T/C-7, T/C-9, T/C-10, T/C-13, T/C-14, and T/C-16 are considered less than significant; impacts T/C-1, T/C-2, T/C-3, T/C-4, T/C-5, T/C-8, T/C-11, T/C-20b through T/C-20f, T/C-21c, T/C-21d, and T/C-21f through T/C-21k are considered less than significant with mitigation; while impacts T/C-12, T/C-15, T/C-17, T/C-18, T/C-19, T/C-20a, T/C-20g, T/C-21a, T/C-21b, T/C-21e, T/C-21l, T/C-21m, and T/C-21n are considered significant and unavoidable even with mitigation. The mitigations identified in the 2006 SEIR are still applicable to the impacts that do occur. Note that the street originally identified as Tinker Avenue in the 2006 SEIR is now identified as Willie Stargell Avenue. Trip distribution changes slightly from the 2006 SEIR as a result of this street being fully operational, however this minor change doesn't result in any new or substantially more severe impacts (see Fehr & Peers' Transportation Analysis included as Attachment A). As required by the conditions of approval, a circulation study will be prepared to provide a detailed analysis of the on-site intersections to determine the appropriate lane configurations and traffic control, but this level of detail was not previously presented in the SEIR and will be completed as a part of the Design Review process.

I. Air Quality

The 2006 SEIR provided an overview of existing air quality within the Alameda Landing Project area and surrounding region, updates the associated regulatory setting, an analysis of potential impacts on air quality that would result from implementation of the revised project and provided an analysis of potential impacts resulting from exposure to toxic air contaminants (TACs). As identified in the 2006 SEIR, new traffic generated by the project and new stationary source emissions would increase regional emissions of criteria pollutants beyond the BAAQMD significance standards, resulting in a significant and unavoidable impact. The revised project would slightly increase operational emissions compared to the 2006 estimates (less than 10% for all criteria pollutants). As identified in the 2006 SEIR, Impact AQ-1 is considered less than significant with mitigation, while Impact AQ-2 is considered significant and unavoidable. The mitigation measures identified in the 2006 SEIR are still applicable to the impacts that do occur. These mitigation measures would still be effective in reducing effects from the slight increase in operational emissions. The revised project would not result in any new or substantially more severe impacts as identified in the 2006 SEIR.

TABLE IV.I-5
OPERATIONAL EMISSIONS

Scenario	Criteria Air Pollutant Emissions (lbs/day)[a]			
	ROG	NOx	PM10	CO
Recalculated Project Emissions from 2006 Project	**159**	**170**	**210**	**1,809**
Significant? (Yes or No)[b,c]	Yes	Yes	Yes	Yes[c]
Project Emissions with Revised Project Land Uses	**174**	**186**	**230**	**1,985**
Significant? (Yes or No)[b,c]	Yes	Yes	Yes	Yes[c]
Net Increase in Emissions resulting from project revisions	15	16	20	176

a. Emissions estimates were generated using the Air Resources Board's URBEMIS 2007 model for Alameda County, and assume a default vehicle mix. Input assumptions include EMFAC 2007 emission factors for the year 2010. All daily estimates are for summertime conditions except for CO, which assumes wintertime conditions.
b. The 1999 BAAQMD threshold of significance applied is 80 lbs/day for ROG, NOx, and PM10 and 550 lbs/day for CO.
c. Projects for which mobile source CO emissions exceed 550 pounds per day do not necessarily have a significant air quality impact, but were required to model localized CO concentrations and compare to the state standard to determine significance pursuant to the BAAQMD 1999 Guidelines.

Bold values are in excess of applicable standard.

SOURCE: ESA, 2011.

J. Noise

The 2006 SEIR analyzed potential impacts on the ambient noise environment caused by construction and operation of the proposed project. It also analyzed the compatibility of proposed noise-sensitive uses, such as residences and commercial areas, with the existing noise environment. Duration and type of construction activities under the proposed project would be similar to duration and type of construction activities under the 2006 project. Potential noise impacts indentified in the SEIR include possible exposure of on-site residents to unacceptable noise levels from off-site noise sources and exposure of on-site residential uses to levels of traffic noise from the 5th Street Extension, Tinker Avenue (now Willie Stargell Avenue) and the Mitchell Avenue Extension that would exceed City standards for exterior noise levels. Noise impacts resulting from the proposed project would be reduced to a less than significant level after implementation of mitigation identified in the 2006 SEIR.

The revised project includes a Target store that would add loading docks larger than envisioned in the 2006 SEIR. However, these docks are located on the east side of the building, away from any residential uses. Furthermore, Willie Stargell Avenue, Fifth Street, and Mitchell Avenue separate residential uses from the project. Changes in the traffic patterns resulting from the construction of Willie Stargell Avenue and the distribution of Target trips would change some of the estimated levels in the direct (2010) and cumulative (2025) scenarios (see tables, below). For the most part, the estimated noise levels stay the same or decline slightly. A few road segments would experienced an increase in traffic-related noise levels, but the increase would neither be detectable (less than 3 dBA), nor cause any new segments to exceed the applicable noise thresholds. The mitigations identified in the 2006 SEIR are still applicable to the impacts that do occur. Therefore, the revised project would not result in any new or substantially more severe impacts as identified in the 2006 SEIR.

TABLE IV.J-5
TRAFFIC NOISE INCREASES ALONG ROADS IN THE PROJECT AREA UNDER VARIANT A

Road Segment	Modeled 2006 Traffic Noise	Modeled Year 2010 No Build	Modeled Year 2010 Plus Project, Unmitigated	Modeled Incremental Increase (2010 No Build vs. 2010 Project, Unmitigated)	Modeled Year 2010 Plus Project, Mitigated	Modeled Incremental Increase (2010 No Build vs. 2010 Project, Mitigated)
1. Main Street (between Willie Stargell and Singleton Avenues)	61.9	62.6	62.6	0	62.6	0
2. Main Street (Between Atlantic and Willie Stargell Avenues)	63.2	63.1	63.1	0	~~63.1~~ 62.3	~~0~~ 0.8
3. West Campus Drive (north of Atlantic Avenue)	55.3	55.3	55.3	0	55.3	0
4. Webster Street (between Atlantic and Willie Stargell Avenues)	70.5	69.8	69.8	0	~~69.5~~ 69.6	~~-0.3~~ 0.2
5. Constitution Way (between Atlantic Avenue and Marina Village Shopping Center)	69.2	69.2	69.4	0.2	69.4	0
6. Mariner Square Loop (between Willie Stargell Avenue and Mariner Square Drive)	47.6	50.0	55.4	5.4	54.1	4.1

These listed values represent the modeled existing noise levels from mobile sources along specified roadways and are based on traffic data from Fehr and Peers. These values allow incremental noise increases to be deduced in order to provide an initial screening with respect to the noise level significance standards of either a 4 or 6 dBA increase. However, other noise sources in the vicinity of these roadway segments, such as intersecting roadways and other non-vehicular noise sources, can contribute substantially to the total ambient noise levels along roadways in the project vicinity. Road center to receptor distance is assumed to be 15 meters (approximately 50 feet) on these segments, except for segment ~~7~~6, which is assumed to be 400 feet from the senior community facility. Vehicle mix on these road segments is assumed to be 97 percent auto,2 percent medium trucks, and 1 percent heavy trucks. The speed limit for these segments is assumed to be 25 miles per hour, except for segments 5 and 6, which are assumed to be 35 miles per hour.

SOURCE: ESA, 2006

TABLE IV.J-6
PROJECTED 2010 TRAFFIC NOISE LEVELS ALONG ON-SITE ROADS
IN THE PROJECT AREA UNDER VARIANT A

	Peak Hour Traffic	Predicted Peak Hour Leq	Predicted CNEL	Mitigated Peak Hour Traffic	Mitigated Predicted Peak Hour Leq	Mitigated Predicted CNEL
1. 5th Street Extension (between the Mitchell Avenue Extension and Willie Stargell Avenues)	645	59.4	**61**	~~982~~ 657	~~61.2~~ 59.7	~~**62**~~ **60.5**
2. 5th Street (between Willie Stargell Avenue and Atlantic Avenue)	658	59.5	60	~~388~~ 260	~~57.2~~ 57.5	58.3
3. Mitchell Avenue Extension (between western project boundary and 5th Street Extension)	522	60.5	**61**	~~522~~ 411	~~60.5~~ 59.5	~~**61**~~ **60.3**
4. Tinker Avenue (between Main and 5th Street)	418	56.6	57	~~689~~ 641	~~58.7~~ 61.4	~~60~~ 62.2
5. Mitchell Avenue Extension (between 5th Street Extension and Mariner Square Loop)	870	62.7	**64**	~~809~~ 740	~~62.4~~ 62.0	~~**63**~~ **62.8**

Noise was calculated using the FHWA basic traffic-noise prediction model for peak-hour traffic assuming a road speed of 25 mph. Noise levels were calculated at 50 feet from the center of the roadway under Variant A, except for 5th Street which would be a four-lane roadway and 75 feet from the centerline was assumed. Bold values show noise levels in excess of the "normally acceptable" General Plan standard for residential land uses (see Figure IV.J-2).

5th Street between Willie Stargell Avenue and Atlantic Avenue is treated as a new road because, even though it was recently constructed as part of the Bayport project, it currently carries almost no traffic because much of Bayport has not been occupied and 5th Street ends in a cul de sac. Willie Stargell Avenue between Main and 5th Street is treated as a new road because it is not yet open to traffic. A 3 dBA credit was applied to Willie Stargell Avenue which has been paved with rubberized asphalt.

SOURCE: Environmental Science Associates

TABLE VI.-1
CUMULATIVE TRAFFIC NOISE INCREASES ALONG ROADS IN THE PROJECT AREA

Road Segment	Modeled 2006 Traffic Noise	Modeled Year 2025 Plus Project	Modeled Cumulative Incremental Increase (Existing vs. 2025 Project	Modeled Year 2025 Plus Project with Tinker Mitigation	Mitigated Incremental Increase 2025
1. Main Street (between Willie Stargell and Singleton Avenues)	61.9	66.2	**4.3**	66.2	4.3
2. Main Street (Between Atlantic and Willie Stargell Avenues)	63.2	65.1	1.9	65.1	1.9
3. West Campus Drive (north of Atlantic Avenue)	55.3	55.3	0	55.3	0
4. Webster Street (between Atlantic and Willie Stargell Avenues)	70.5	71.7	1.2	~~72.2~~ 72.3	~~1.7~~ 1.8
5. Constitution Way (between Atlantic Avenue and Marina Village Shopping Center)	69.2	69.6	0.4	69.6	0.4
6. Mariner Square Loop (between Willie Stargell Avenue and Mariner Square Drive)	47.6	57.8	**10.2**	~~55.5~~ 56.0	~~**7.9**~~ **8.4**

These listed values represent the modeled existing noise levels from mobile sources along specified roadways and are based on traffic data from Fehr and Peers. These values allow incremental noise increases to be deduced in order to provide an initial screening with respect to the noise level significance standards of either a 4 or 6 dBA increase. However, other noise sources in the vicinity of these roadway segments, such as intersecting roadways and other non-vehicular noise sources, can contribute substantially to the total ambient noise levels along roadways in the project vicinity. Road center to receptor distance is assumed to be 15 meters (approximately 50 feet) on these segments, except for segment ~~7~~6, which is assumed to be 400 feet from the senior community facility. Vehicle mix on these road segments is assumed to be 97 percent auto,2 percent medium trucks, and 1 percent heavy trucks. The speed limit for these segments is assumed to be 25 miles per hour, except for segments 5 and 6, which are assumed to be 35 miles per hour. Bold values exceed significance standards.

SOURCE: ESA, 2006

TABLE VI-2
PROJECTED 2025 TRAFFIC NOISE LEVELS ALONG ON-SITE ROADS IN THE PROJECT AREA WITH VARIANT A

	Peak Hour Traffic	Predicted Peak Hour Leq	Predicted CNEL	Mitigated Peak Hour Traffic	Mitigated Predicted Peak Hour Leq	Mitigated Predicted CNEL
1. 5th Street (between Mitchell-Mosley and Willie Stargell Avenues)	2,169	64.7	**66**	~~1,218~~ 705	~~62.2~~ 60.3	~~**63**~~ **61.1**
2. 5th Street (between Willie Stargell Avenue and Atlantic Avenue)	2,041	64.4	**65**	~~1,291~~ 1,039	~~62.4~~ 62.0	~~**63**~~ **62.8**
3. Mitchell-Mosley Avenue (between Main and 5th Street)	522	60.5	**61**	~~522~~ 486	~~60.5~~ 60.2	**61**
4. Mitchell-Mosley Avenue (between 5th Street and Mariner Square Loop)	1,789	65.9	**67**	~~1,003~~ 1,060	~~63.4~~ 63.6	~~**64**~~ **64.4**
5. Willie Stargell Avenue (between Main and 5th Street)	3,434	63.7	**67**	~~3,734~~ 4,049	~~64.0~~ 66.4	~~**65**~~ **67.2**
6. Willie Avenue (between 5th Street and Webster)	1,672	65.6	**66**	~~4,033~~ 3,786	~~64.4~~ 66.1	~~**65**~~ **66.9**

Noise was calculated using the FHWA basic traffic-noise prediction model for peak-hour traffic assuming a road speed of 25 mph. Noise levels were calculated at 50 feet from the center of the roadway under Variant A, except for 5th Street and Willie Stargell Avenue which would be four-lane roadways in the mitigated cumulative scenario and 70 feet from the centerline was assumed. Bold values show noise levels in excess of the "normally acceptable" General Plan standard for residential land uses (see Figure IV.J-2). A 3 dBA attenuation was added for the presence of rubberized asphalt that was used in the construction of Willie Stargell Avenue between Main Street and 5th Street. This attenuation was also assumed for the segment of Willie Stargell Avenue between 5th Street and Webster Street in the mitigated scenario.

SOURCE: Environmental Science Associates

K. Public Services

The 2006 SEIR discussed potential changes in the type and extent of public services needed for the revised project, including police protection, fire and emergency services, schools, parks and recreation facilities, and solid waste and recycling provisions. As currently revised, the project proposes the same number of residential units and the same square footage of office, retail, and health club space as analyzed in the 2006 SEIR, therefore, the proposed project would not increase demand for public services beyond what was identified in the 2006 SEIR. However, the 2006 SEIR identified potential impacts including that the proposed project could interfere with the City of Alameda's Fire Department's Disaster Response Plan and that demolition of the existing structures on the project site would result in the generation of large quantities of solid waste, which would include large quantities of potentially recyclable materials. Impact PUB-3 states that demolition of existing structures on the project site would result in the generation of large quantities of solid waste which are not reusable or recyclable, including hazardous waste. Even with mitigation, Impact PUB-3 was determined to be a significant and unavoidable impact. The proposed project would not result in any new or substantially more severe significant impacts than the approved 2006 project. The mitigation measures identified in the 2006 SEIR are sufficient to mitigate the impacts of the project to less than significant levels, except for Impact PUB-3, which was determined to be significant and unavoidable. The project would not create a new or substantially more severe impact than identified in the 2006 SEIR.

L. Utilities and Service Systems

The 2006 SEIR discussed the type and extent of utilities and service systems needed for the Alameda Landing Mixed Use Development project, including water, wastewater, electricity and communications provisions. As currently revised, the project proposes the same number of residential units and the same square footage of office, retail, and health club space as analyzed in the 2006 SEIR, therefore, the proposed project would not increase demand for utilities and services beyond what was identified in the 2006 SEIR. The 2006 SEIR identified several potentially significant impacts including that the project could result in wasteful water use; wastewater from the project areas that drain to sub-basin 64-5-2 that are rerouted into sub-basin LA2 could exceed the capacity of the existing Mitchell sewer line; asbestos dust could be released into the air and hazardous materials could contaminate pipe disposal sites; under the cumulative condition, the proposed project still has the potential to contribute to wastewater flows which may exceed the capacity of existing estuary transport facilities and exceed the NAS Alameda's allocation at the EBMUD Water Pollution Control Plan (WPCP); and phased abandonment of the existing gas distribution lines on the project site may leave some facilities in place that present unsafe hazardous conditions. Because the commercial water/wastewater demand is based on square footage, which is not changed from the 2006 SEIR, the proposed project would not result in any new or substantially more severe utilities and service system impacts than the approved 2006 project. Mitigation measures identified in the 2006 SEIR are sufficient to mitigate the utilities and service system impacts to a less than significant level. The project would not create a new or substantially more severe impact than identified in the 2006 SEIR.

M. Cultural Resources

The 2006 SEIR discussed potential changes and impacts to cultural resources on the project site. The proposed project would be constructed within the same area as identified for the 2006 project. Consequently, the proposed project would result in similar potentially significant impacts associated with cultural resources. Potential impacts identified in the 2006 SEIR would occur if previously undiscovered cultural resources are unearthed during construction on the project or if buried paleontological resources are discovered on the project site. Potential impacts to archaeological and paleontological resources would be reduced to less than significant levels by implementation of the mitigation measures identified in the 2006 SEIR. The proposed project would not result in any new or substantially more severe significant cultural resource impacts than described in the 2006 SEIR.

N. Aesthetics

The 2006 SEIR describes existing visual conditions at the project site and vicinity, and analyzes the potential for the proposed project to affect those conditions. Similar to the 2006 SEIR impact discussion, the proposed project would result in redevelopment on the project site and the construction of new land uses that would be visually compatible with existing land uses in the vicinity - a mix of residential, commercial, office and research and development uses. Compared to the 2006 SEIR project, the number of residential units and square footage of office, retail, and health club space would be the same. The only change is that 35,000 square feet of retail space would be shifted south of Mitchell Avenue. Therefore the proposed project would have visual impacts similar to the project as identified in the 2006 SEIR. Potential impacts identified in the 2006 SEIR could occur if the project generated light and glare which would be visible primarily from the northern shore of the Oakland Estuary at Jack London Square, as well as from existing and proposed circulation corridors and residential areas within the City of Alameda or if the proposed project retail and office development generated light and glare which would be visible primarily from the existing USCG Housing and the existing multi-family housing. The proposed project would not introduce any visual changes that would be aesthetically incompatible with existing uses or approved development under the 2006 SEIR. Potential visual impacts would be reduced to less than significant levels by implementation of the mitigation measures identified in the 2006 SEIR. The proposed project would not result in any new or substantially more severe significant cultural visual impacts than described in the 2006 SEIR.

O. Urban Decay Analysis

The City approved the Alameda Landing Retail Impacts Assessment Update June 7, 2006. The Assessment identified a tenanting strategy for Alameda Landing that identified a preferred mix of retailers on the site, including: high volume general merchandise store (a discount store, specifically a Target), furniture and home furnishings, household appliances and electronics, apparel, restaurants, specialty stores (including gifts and novelties, books and stationary, sporting

goods, and home improvement). The assessment concluded that there was significant sales leakage to support retail development at Alameda Landing, including a Target store.

In November 2011, ALH Urban & Regional Economics (ALH/ECON) prepared an Urban Decay Analysis (included as Attachment B) for the project in order to estimate the potential impacts of the project's tenants on existing retailers in the project's market area and other potentially affected areas, primarily in the form of diverted sales from existing retailers. The analysis estimates the extent to which the opening of the project and other cumulative retail projects may or may not contribute to urban decay in the market area pursuant to potential store closures attributable to existing retailer sales diversions. ALH/ECON focused on determining whether or not physical deterioration would likely result from the opening of the project and other cumulative retail developments in reaching a conclusion about urban decay. The conclusion is based on consideration of current market conditions, findings regarding diverted sales, the backfilling potential of existing store spaces, and regulatory controls. Highlights of these findings are as follows:

- ***Current Market Conditions:*** Field research, market research, and broker interviews indicated that retail market conditions are strong in Alameda. Both Alameda and the Oakland portion of the market area have low retail vacancy rates, indicating that long-term retail vacancy is not an issue in the market area. Existing buildings with retail vacancies appear well-maintained, and retail brokers indicate that vacancies in Alameda are typically absorbed within a reasonable time period. There are no visible signs of urban decay or deterioration among the market area's retail nodes and corridors.
- ***Diverted Sales and Additional Retail Leakage:*** After recapture of existing market area leakage and new demand generated by household growth, there is the potential for a few small retail operations to close in the market area. However, even with development of the project and other cumulative projects, Alameda and the market area are anticipated to be characterized by continued retail leakage in several retail categories. This remaining leakage provides an opportunity for other retailers to enter the marketplace focused on satisfying unmet retail demand.
- ***Backfilling Potential:*** Research findings indicate that available vacancies for smaller retail spaces in Alameda are filled within a reasonable time, typically no more than six months. It is obvious from the existing vacancies at South Shore Center that larger vacancies require more time, but south Shore Center appears to be a strong performing center, including the City of Alameda's two strongest performing grocery stores (e.g., Trader Joe's and Safeway). However, it is unlikely that any vacancies that might result from development of the Project or cumulative projects will cause existing large retailers in Alameda or the market area to close, thus the backfilling experience of smaller retail spaces is most relevant to this analysis.
- ***Regulatory Controls:*** City ordinances, such as the City of Alameda Code of Ordinances Chapter 4-1 on Litter Control, Chapter 4-2 on Graffiti, Chapter 13-14 on Boarded Buildings and Vacant Parcels, Chapter 13-15 on Boarded Building and Vacant Parcel Monitoring Fee, and Chapter 23-4 on Weeds, Rubbish, and Rubbish Control, require property owners to maintain their properties so as not to create a nuisance by creating a condition that reduces property values and promotes blight and neighborhood deterioration. Enforcement of these ordinances can help prevent physical deterioration due to any long-term closures of retail spaces. If properties require nuisance abatement there are controls in place to provide

this abatement. During fieldwork conducted in October, 2011 there were no visible signs of litter, graffiti, weeds, or rubbish associated with existing commercial nodes and corridors in Alameda. In addition, City of Alameda staff report that the City is aggressive regarding graffiti remediation, that weed abatement occurs on a regular basis, and that private property owners tend to respond quickly when alerted to instances of graffiti or trash associated with their property. Thus, ALH/ECON concludes that existing measures to maintain private commercial property in good condition in the City of Alameda are effective and will serve to preclude the potential for urban decay and deterioration in the event any existing retailers in the City of Alameda close following the operations of the project and other cumulative retail projects.

Based upon these findings, ALH/ECON concludes that the Alameda Landing Project and the identified cumulative projects would not cause or contribute to urban decay. See the Alameda Landing Urban Decay Analysis Summary of Findings (Attachment B) prepared by ALH Urban & Regional Economics for additional detail.

SECTION 5
Conclusion

On the basis of the evaluation presented in Section 4, the proposed changes in the project, changed circumstances, and new information would not trigger any of the conditions listed in Section 1.2 of this Addendum requiring preparation of a subsequent MND or EIR. This Addendum satisfies the requirements of CEQA Guidelines Section 15164 and does not trigger the need for a supplemental or subsequent EIR per Section 15162.

CHAPTER 6
Summary

As described in this Addendum, none of the impact statements or mitigation measures in the 2006 SEIR would be changed. For reference, we have included a summary of the impacts and mitigation measures that apply to the 2006 SEIR.

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
Land Use			
LU-1: The proposed project would create generally beneficial land use impacts on the project site and in the project vicinity by developing compatible land uses, eliminating open expanses of pavement and creating a greater continuity of land use. (Beneficial)	None required.	Not Applicable	No
LU-2: The retail uses proposed as part of the project would not adversely impact existing and proposed retail development elsewhere in the City in a manner that would cause other retail areas to become blighted. (Less than Significant Impact)	None required.	Not Applicable	No
Population and Housing			
Induce substantial unanticipated population or housing growth. The proposed project would add up to 539 housing units to the City's housing stock and up to an additional 1,310 persons. This residential development is consistent with the General Plan as well as Measure A. Therefore, the project's residential development would not result in substantial, unanticipated population or housing growth. The total employment generation associated with the project would be an estimated 4,600 employees. This influx of new employees would increase local housing demand by an estimated 503 to 644 new housing units. This increased housing demand is both less than ABAG's expected City of Alameda housing growth within the next five years and less than the project's residential development. Therefore any job-related housing demand growth associated with the project would have a less-than-significant impact on the City's housing stock.	None required.	Not Applicable	No
Jobs/Housing Balance. The project's contribution to the City-wide jobs/housing balance would be beneficial. The project would contribute to the overall job growth for the City of Alameda.	None required.	Not Applicable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
Potential Effect on the Affordability of Housing. The housing proposed as part of the project is not expected to induce substantial growth in adjacent neighborhoods beyond what has already been considered in the Reuse EIR. While the project's housing may have a beneficial impact of improving the desirability of residential life in the project's neighborhood, other non-project and regional factors will have more effect on local housing prices. Any potential impacts for the project to increase demand for affordable housing in nearby communities will be too widely dispersed to be accurately predicted. The project's impact on affordable housing in nearby communities would not represent a significant adverse impact.	None required.	Not Applicable	No
Hydrology and Storm Drainage			
Proposed Storm Drainage System and System Capacity. As stated in the 2000 EIR, no significant impacts associated with the proposed storm drainage system and system capacity would result. The existing storm drainage system is antiquated and may not be capable of adequately conveying post-development runoff from the project site. For this reason, the project proposed construction of new storm drainage infrastructure. The proposed storm drainage system would be designed in accordance with City of Alameda criteria and will be sized to handle post-development flows from the project site. Installation of the new drainage system would require significant excavation and soil management and may require dredging and other types of soil disturbances. As discussed under Impact HYD-2, potential impacts associated with erosion and sedimentation during trenching would be mitigated by implementation of a Storm Water Pollution Prevention Plan (SWPPP). Thus, potential impacts associated with the proposed storm drainage system and system capacity would be less than significant.	No mitigation required.	Not Applicable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
Water Quality or Discharge Standards. As stated in the 2000 EIR, no impacts to water quality or discharge standards would result. As further discussed under Impact HYD-2, the proposed project would not include any industrial-type discharges that would lead to the imposition of specific Waste Discharge Requirements. Furthermore, as discussed under Impact HYD-2, below, the project be subject to non-point source requirements for water quality.	No mitigation required.	Not Applicable	No
Groundwater. As discussed in the 2000 EIR, the proposed project would not result in any significant adverse effects related to the groundwater supply. No extraction or injection is proposed as part of the project and thus, no significant impacts to deep aquifers would result.	No mitigation required.	Not Applicable	No
Water Movements and Flood Waters. The 2000 EIR stated that the project site is flat and thus, no significant changes to drainage patterns or flood flows would result.	No mitigation required.	Not Applicable	No
Water-Related Hazards. As stated in the 2000 EIR, the project site is flat and is not susceptible to landslides or mudflows. Furthermore, the site is partially protected from seiches by the constriction at the mouth of the Oakland Inner Harbor and thus, would be less than significant.	No mitigation required.	Not Applicable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
HYD-1: Improvements and future site users may be exposed to flooding hazards. (Potentially Significant)	**HYD-1: (A detailed floodplain delineation has been completed and approved.)** The grading and drainage plans shall be designed to ensure that building sites (finished floor elevations) are above the 100-year base flood elevation and that other improvements potentially susceptible to flood damage are sufficiently protected in accordance with the City of Alameda Municipal Code (section 20-4). Roadways and landscaped areas would not be subject to this requirement. Infrequent inundation of these features would be considered a less-than-significant impact. Grading and drainage plans shall be submitted to the Public Works Department for review and approval. Implementation of City ordinances for development within floodplains would mitigate potential impacts associated with construction in flood-prone areas to a less-than-significant level.	Less than Significant	No
HYD-2: Construction activities and post-construction site uses could result in degradation of water quality in the Oakland Estuary and the San Francisco Bay by reducing the quality of storm water runoff. (Less than Significant)	**HYD-2:** A Storm Water Pollution Prevention Plan (SWPPP) designed to reduce potential impacts to surface water quality through the construction and life of the project shall be prepared for each development project (e.g., single-family residential, business park, etc.) that is constructed as part of this project and involves construction activity (including clearing, grading, or excavations). As required by Phase II NPDES Permit requirements, a SWPPP is required for the Catellus Mixed Use Development Project~~).~~. The SWPPP shall include a site map(s) which shows the construction site perimeter(s), existing and proposed buildings, lots, roadways, storm water collection and discharge points, general topography before and after construction, and drainage patterns across the project site. The SWPPP must list the specific erosion control and storm water quality BMPs that will be employed to protect storm water runoff, the proper methods of installation, and the placement of those BMPs. In addition to erosion control BMPs, the SWPPP shall include BMPs for preventing the discharge of other NPDES pollutants besides sediment (e.g. paint, solvents, concrete, petroleum products) to downstream waters. The SWPPP shall include measures to educate onsite construction and maintenance supervisors and workers about the importance of storm water quality protection. Such measures shall include regular tailgate meetings to discuss pollution prevention and the requirement that all personnel attend. The SWPPP shall contain a visual monitoring program; a chemical monitoring program for “non-visible” pollutants to be implemented if there is a failure of BMPs; and a sediment monitoring plan if the site discharges directly to a waterbody listed on the 303(d) list for sediment, as is the case	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	with the proposed project. The SWPPP would act as the overall program document designed to provide measures to mitigate potential water quality impacts associated with implementation of the proposed project. Preparers of the SWPPP should review the Conditions of Approval (including General Conditions for Construction, Residential Development/Construction Conditions, and Commercial/Industrial Conditions) established by the City. The SWPPP shall include the following three elements to address construction, post construction and pest management issues: 1) **Specific and detailed Best Management Practices (BMPs) designed to mitigate construction-related pollutants.** These controls shall include practices to minimize the contact of construction materials, equipment, and maintenance supplies (e.g., fuels, lubricants, paints, solvents, and adhesives) with storm water. The SWPPP shall specify properly designed centralized storage areas that keep these materials out of the rain. The contractor(s) shall submit details, design, and procedures for compliance with storage area requirements. An important component of the storm water quality protection effort is knowledge on the part of on-site construction and maintenance supervisors and workers. To educate on-site personnel and maintain awareness of the importance of storm water quality protection, site supervisors shall conduct regular tailgate meetings to discuss pollution prevention. The SWPPP shall establish a frequency for meetings and require all personnel to attend. The SWPPP shall specify a monitoring program to be implemented by the construction site supervisor, and must include both dry and wet weather inspections. City of Alameda shall conduct regular inspections to ensure compliance with the SWPPP. **(Site-specific SWPPP(s) for General Construction Activities will be prepared and/or revised as project components are constructed.)** 2) **Measures Designed to Mitigate Post-construction-Related Pollutants.** The SWPPP shall include measures designed to mitigate potential water quality degradation of runoff from all portions of the completed development. It is important that post construction storm water quality controls are required in the initial design phase of redevelopment projects and not simply added after the site layout and building footprints have been established. The specific BMPs that would be required of a project can be found in SF Bay Regional Water Quality Control Board Staff Recommendations for New and Redevelopment Controls for Storm		

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	Water Programs. In addition, the design team should include design principles contained in the Bay Area Stormwater Management Agencies Association's manual, Start at the Source, Design Guidance Manual for Stormwater Quality Protection. The selection of BMPs required for a specific project is based on the size of the development and the sensitivity of the area. **(A Storm Water Master Plan to address post-construction water quality issues has been completed.)** The Estuary is considered a sensitive area by the RWQCB. In general, passive, low maintenance BMPs (e.g., grassy swales, porous pavements) are preferred. If the SWPPP includes higher maintenance BMPs (e.g., sedimentation basins, fossil filters), then funding for long term maintenance needs must be specified in the SWPPP as a condition of approval of the grading, excavation, or building permits, as appropriate (the City will not assume maintenance responsibilities for these features). 3) **Integrated Pest Management Plan.** An Integrated Pest Management Plan (IPM) shall be prepared and implemented by the Project for all common landscaped areas. Each IPM shall be prepared by a qualified professional. The IPMs shall address and recommend methods of pest prevention and turf grass management that use pesticides as a last resort in pest control. Types and rates of fertilizer and pesticide application shall be specified. Special attention in the IPMs shall be directed toward avoiding runoff of pesticides and nitrates into sensitive drainages or leaching into the shallow groundwater table. Pesticides shall be used only in response to a persistent pest problem. Preventative chemical use shall not be employed. Cultural and biological approaches to pest control shall be fully integrated into the IPMs, with an emphasis toward reducing pesticide application.		
HYD-3: Dewatering activities during construction could result in the discharge of contaminated groundwater to the Oakland Inner Harbor and San Francisco Bay. (Potentially Significant)	**HYD-3:** This mitigation measures applies to all portions of the project site. Dewatering activities conducted within 100 feet of the benzene/naphthalene plume, at areas IR02 through IR07, or in areas where apparent contamination has been encountered shall be conducted by OSHA-certified personnel according to the dewatering management protocols delineated in the Site Management Plan prepared by Environmental Resources Management (2002) for the proposed project. Dewatering management protocols described in the Site Management Plan are as follows: • The dewatering system shall be monitored on a continuous, 24-hour basis during dewatering, or be designed with dual redundancy to prevent	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	the possibility of an overflow of contaminated water from detention structures. For example, fractionation tanks shall be equipped with both a high-level and an ultrahigh-level sensor, both of which will shut off influent pumps if tripped. • All applicable discharge permits shall be obtained and observed. • Dewatering and treatment residuals, such as tank bottoms and spent granular activated carbon, shall be disposed of in an appropriate manner at the direction of the contractor's environmental professional. • Dewatering performed in the vicinity of IR04/IR06 should be coordinated with the environmental professional responsible for remediation in this area, and should be conducted in such a way that nonaqueous phase liquid or contaminated groundwater migration is not induced by dewatering activities.		
HYD-4: The operation of boating activities (water taxi) at the project site could result in the inadvertent discharge of hazardous materials that could impair water quality in the Inner Harbor and San Francisco Bay. (Potentially Significant)	**HYD-4:** Prior to initiating water taxi operations from the project site, the project sponsor shall ensure that water taxi landing operations implement (as a part of the project) BMPs that shall include, but not be limited to, the following: • Prohibit any refueling, maintenance or cleaning activities on site such as oil changes and engine cleaning. • Prohibit pouring of wastes into drains, into surface water, or onto the ground; • Prohibit hosing down discharged spills with water; • Use only biodegradable, low-phosphate content, water-based cleaners, whenever necessary; avoid the use of halogenated compounds, aromatic hydrocarbons, chlorinated hydrocarbons, petroleum-based cleaners or phenolics. (The presence of these substances can be checked in the material safety data sheet sheets for each cleaning agent.)	Less than Significant	No
Geology, Soils and Seismicity			
Fault Rupture, Landsliding, Erosion, Expansive Soils (Less Than Significant Impacts) As reported in the 2000 EIR, no active faults or steep slopes are located on the site, making the potential for fault rupture, landsliding and erosion low, and the near-surface soils	No mitigation required.	Not Applicable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
of the site have a low potential for shrink-swell, limiting the adverse effects of expansive soils.			
GEO-1: Occupants of development constructed under the proposed project would be subject to seismic hazards. (Potentially Significant; Additional Mitigation Included)	**GEO-1:** Prior to the issuance of any grading or building permits, a detailed geotechnical and soils report shall be prepared and submitted to the City of Alameda Public Works Department and the California State Geologist for review and approval. The report shall determine the site's surface geotechnical conditions and address potential seismic hazards, including liquefaction and associated ground failure, and the stability of the bulkhead. The report shall identify building techniques appropriate to minimize seismic damage, including, but not limited to, the following: • Buildings and other structures shall be designed to meet the requirements of the most recently adopted Uniform Building Code (UBC) for Seismic Zone 4. • Analysis presented in the geotechnical report shall conform with the California Division of Mines and Geology recommendations presented in the "Guidelines for Evaluating Seismic Hazards in California." All mitigation measures, design criteria, and specifications set forth in the geotechnical and soils report shall be followed in order to reduce impacts associated with seismic hazards to a less-than-significant level.	Less than Significant	No
GEO-2: Expected continuing consolidation and land surface subsidence at the project site could result in damage to project improvements. (Potentially Significant)	**GEO-2a:** Prior to issuance of a grading permit, a site-specific geotechnical report that provides analysis of consolidation potential shall be prepared and submitted to the City Department of Public Works for approval. The report shall specify all measures necessary to limit consolidation including minimization of structural fills and use (when necessary) of lightweight and low plasticity fill materials to reduce the potential for excessive loading caused by fill placement. The placement of artificial fill should be limited to reduce the potential for increased loading and associated settlement in areas underlain by thick young bay muds. Increased area settlement could have implications for flooding potential as well as foundation design. Reconditioning (compaction) of existing subgrade materials would be preferable to placement of fill. The report shall present recommendations for specific foundation designs which minimize the potential for damage related to settlement. The design of utilities shall consider differential settlements along utility alignments constructed in filled areas of the project site. The geotechnical report shall provide	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	recommended design elements to minimize the potential for damage or leakage. The geotechnical report shall specify foundation design for the proposed structures. Multi-story frame residential buildings could be adequately supported on appropriately designed structural or post-tension slab foundations underlain by engineered fill. Larger buildings, heavy structures or equipment, and multi-story commercial or industrial buildings would require pile foundations to minimize settlement of these structures. The piles would need to be driven into a suitable strong bearing unit (possibly old bay mud or Merritt sands) to have adequate skin friction, and to account for "downdrag" on piles related to consolidation of underlying young bay muds, if present. **GEO-2b:** Mat or slab foundations constructed in areas of expected areal settlement (i.e., areas underlain by thick young bay muds) shall be designed to minimize the potential for soil erosion under the perimeter of the foundation. The perimeter of the slabs could be thickened and established sufficiently below existing grade to minimize the potential for exposure of the bottom of the foundation. Alternatively, other forms of erosion protection could be recommended by site-specific geotechnical reports.	Less than Significant	No
GEO-3: Damage to structures or property related shrink-swell potential of project soils could occur. (Potentially Significant)	**GEO-3:** On expansive soils with moderate to high shrink-swell potential, proposed building foundations and improvements shall consider these conditions; foundation design may include drilled per and grade beams, deepened footings (extending below expansive soil), or post-tensioned slabs. Alternatively, expansive soil shall be removed and replaced with compacted non-expansive soil prior to foundation construction. The geotechnical report for each phase of the project shall require that subgrade soils for pavements consist of moisture-conditioned, lime-treated, or non-expansive soil, ant that surface (including roof drainage) and subsurface water be directed away from foundation elements to minimize variations in soil moisture.	Less than Significant	No
Hazards and Hazardous Materials			
***Airport Safety Hazards*.** No significant impacts related to airport related safety hazards would occur. The airfield at the adjoining Alameda Naval Air Station is closed and no other airports are located within two miles of the project site. Therefore, the proposed	No mitigation required.	Not Applicable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
project would not create any airport-related safety hazards for people residing or working in the project area.			
***Wildland Fire Hazards*.** No wildlands are present or adjacent to the project site, and no new wildlands are proposed to be created in the proposed project. Therefore, no wildland fire hazards would result from implementation of the proposed project.	No mitigation required.	Not Applicable	No
HAZ-1: Construction activities could potentially expose persons at and near the project site to hazardous materials in the marsh crust and groundwater. (Potentially Significant)	**HAZ-1a:** *The City shall implement an excavation ordinance, and/or similar regulatory measures or condition of approval, requiring a permit or prior approval to excavate to the depth of the marsh crust at the project site. The permit or approval shall require that appropriate health and safety and disposal procedures be followed during excavation activities, as required based on the presence of hazardous materials in the marsh crust, including, but not limited to:* • *Restrictions on materials stockpiling.* • *Disposal of excavated materials at an appropriate landfill.* • *Disposal of extracted groundwater at a wastewater treatment plant of in accordance with RWQCB requirements.* • *Implementation of a site-specific site management plan for construction activities.* **HAZ-1b:** *If the US Navy does not record a restrictive covenant prohibiting the installation of drinking water wells into the shallow groundwater at the project site, the City shall record a covenant, prior to transfer of the property, prohibiting excavation into the marsh crust without a permit or prior approval where required under the City excavation ordinance and/or similar regulatory measures or project condition adopted pursuant to Mitigation Measure HAZ-1a.* **HAZ-1c:** Preparation by a qualified registered professional of a Site Management Plan (SMP) for the project site shall be a condition of approval for the first subdivision map for the project site. The SMP would provide site-specific information for contractors (and others) developing the project site that would improve their management of environmental and health and safety contingencies. Topics covered by the SMP shall include, but not be limited to:	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	• Land use history, including known hazardous material use, storage, disposal, and spillage, for specific areas within the site. • The nature and extent of previous environmental investigation and remediation at the site. • The nature and extent of ongoing remedial activities and the nature and extent of unremediated areas of the project site, including the nature and occurrence of marsh crust and hazardous materials associated with the dredge material used as fill at the site. • A listing and description of institutional controls, such as the City's excavation ordinance and other local, State, and federal laws and regulations that will apply to development of the site. • Requirements for site-specific Health and Safety Plans (HASPs) to be prepared by all contractors at the site. The HASPs should be prepared by a Certified Industrial Hygienist and would protect construction workers and interim site users adjacent to construction activities by including engineering controls, monitoring, and security measures to prevent unauthorized entry to the construction site and to reduce hazards outside the construction site. The HASPs would address the possibility of encountering subsurface hazards and include procedures to protect workers and the public. If prescribed exposure levels were exceeded, personal protective equipment would be required for workers in accordance with DOSH regulations. • A description of protocols for the investigation and evaluation of previously unidentified hazardous materials that may potentially be encountered during project development, including engineering controls that may be required to reduce exposure to construction workers and future users of the site. • Requirements for site specific construction techniques at the site, based on proposed development, such as minimizing the transport of contaminated materials to the surface during construction activities by employing pile driving techniques that consist of driving the piles directly without boring, where practical. The SMP shall be distributed to all contractors at the project site; implementation of the SMP shall be a condition of approval for excavation, building, and grading permits at the project site.		

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
HAZ-2: There may be a potential for contaminated subsurface materials to be discovered during development of the project site. These materials could potentially present a health risk to construction workers and/or future workers and residents at the project site. (Potentially Significant)	**HAZ-2:** An SMP for project site construction (see Mitigation Measure HAZ-1c, above) shall be prepared and implemented.	Less than Significant	No
HAZ-3: Demolition or renovation of existing buildings or removal of asbestos cement pipe could release lead dust and asbestos fibers, potentially affecting construction workers. (Less than Significant)	**HAZ-3:** Adherence by the project sponsors and the City to existing to existing regulations requiring abatement of lead and asbestos hazards and worker health and safety procedures during demolition and renovation activities would further minimize this less-than-significant impact.	Less than Significant	No
HAZ-5: Future land uses at the project site could include the use, storage, transportation, or generation of hazardous materials. If these materials were improperly used, stored, transported, or generated, human health and/or the environment could be affected. (Potentially Significant)	**HAZ-5:** If future land uses at the project site involve the use, storage, transport, treatment, or generation of hazardous materials, the site operator shall be required to comply with applicable federal, state, and local requirements for managing hazardous materials. Depending on the type and quantity of hazardous materials, these requirements could include the preparation of, implementation of, and training in the following plans, programs, and permits: (1) Hazardous Materials Business Plans. Facilities that use, store, or handle hazardous materials in quantities greater than 500 pounds, 55 gallons, or 200 cubic feet are required to prepare a Business Plan. The Business Plan shall contain facility maps, up-to-date inventories of all hazardous materials for each shop/area, emergency response procedures, equipment, and employee training. (2) Hazardous Waste Generator Requirements. Facilities that generate more than 100 kilograms per month of hazardous waste, or more than 1 kilogram per month of acutely hazardous waste, must be registered under RCRA. DTSC administers hazardous waste generator registration in California. (3) Contingency Plan. All facilities that generate hazardous waste must prepare a Contingency Plan. The Contingency Plan identifies the duties of the facility Emergency Coordinator and identifies and gives the location of emergency equipment. It also includes reporting procedures for the facility Emergency Coordinator to follow after an incident. (4) California Accidental Release Prevention Program. Facilities that use significant quantities of acutely hazardous materials must prepare an Accidental Release Prevention Program if these is a significant	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	likelihood that this use may pose an accident risk. The Program must include a description of acutely hazardous material accidents occurring at the facility within the past three years, and a description of equipment, procedures, and training to reduce the risk of acutely hazardous materials accidents. (5) Injury and Illness Prevention Plans. The California General Industry Safety Order requires that all employers in California prepare and implement an Injury and Illness Prevention Plan which shall contain a code of safe practice for each job category, methods for informing workers of hazards, and procedures for correcting identified hazards. (6) Emergency Action Plans. The California General Industry Safety Order requires that all employers in California prepare and implement an Emergency Action Plan. The Emergency Action Plan designates employee responsibilities, evacuation procedures and routes, alarm systems, and training procedures. (7) Fire Prevention Plans. The California General Industry Safety Order requires that all employers in California prepare and implement a Fire Prevention Plan. The Fire Prevention Plan specifies areas of potential hazard, persons responsible for housekeeping procedures, and fire hazard training procedures. (8) Hazard Communication Plan. Facilities involved in the use, storage, and handling of hazardous materials are required to prepare a Hazard Communication Program. The purpose of the Hazard Communication Program is to ensure safe handling practices for hazardous materials, proper labeling of hazardous materials containers, and employee access to Material Safety Data Sheets (MSDSs). (9) Aboveground and Underground Storage Tank Permit. Facilities with aboveground or underground storage tanks must be permitted. Other plans, such as a Spill Prevention Control and Countermeasures Program, may be required depending on the size, location, and contents of the tank.		
HAZ-6: Routine site use and development could potentially result in exposure of project site users to hazardous concentrations of subsurface soil gases. (Significant)	**HAZ-6:** The City shall require that all buildings constructed on the Project site be designed and constructed to prevent unacceptable exposures to soil gases in exposed building spaces, using techniques such as limiting building slab joints and installing foundation vapor barriers and passive venting systems. All such City requirements shall be in accordance with any	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	remedy (which shall include institutional controls) established by DTSC as part of a Remedial Action Plan for the benzene plume. Institutional controls shall be implemented for all structures within the footprint of the 1-microgram-per-liter benzene isoconcentration line. In addition to vapor barriers and passive venting systems, appropriate institutional controls that could be used at the site include: (1) sub-slab depressurization systems and (2) indoor and/or crawl space air monitoring for selected groups of existing homes and buildings as proposed during the remedial design. Both the proposed Remediation Action Plan and Record of Decision must include these institutional controls as parts of the remedy for the benzene/naphthalene plume.		
HAZ-7: Construction workers and nearby site users could be exposed to hazardous materials prior to complete remediation of the project site. (Potentially Significant)	**HAZ-7:** Remediation workers who could directly contact contaminated dust, soil, or groundwater must perform all remediation activities in accordance with a site-specific HASP developed for the specific contaminants of concern (petroleum, volatile organic compounds [VOCs], metals, radium, etc.) on-site. The HASP would protect those workers as well as site users and occupants adjacent to remediation activities by requiring engineering controls, monitoring, and security measures as needed to prevent unauthorized entry to remediation sites and to reduce hazards outside the investigation/ remediation area. The HASP would address the possibility of encountering unknown buried hazards and include procedures to protect workers and the public. If prescribed exposure levels were exceeded, personal protective equipment would be required for workers in accordance with California Occupational Safety and Health Act (CAL OSHA) regulations. While the primary intent of CAL OSHA requirements is to protect workers, compliance with these regulations also reduces potential hazards to other project site occupants (tenants and visitors) and ecological receptors because of the required site monitoring, reporting, and other controls. Potential site access controls implemented during remediation could include: • Securing the site with fencing or other barriers of sufficient height and structural integrity to prevent unauthorized pedestrian/vehicular entry. • Posting “no trespassing” signs. • Providing on-site meetings with construction workers to inform them about security measures and reporting/contingency procedures.	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	The HASP shall include effective dust control measures, which may include wetting soil materials and placing covers on trucks to reduce the potential for generating airborne dust. The HASP shall also provide measures to control site runoff and manage soil stockpiles to prevent erosion.		
HAZ-8: Ecological receptors in the project vicinity could be affected by hazardous materials during remediation of the project site. (Potentially Significant)	**HAZ-8:** Implementing required laws, regulations, a SWPPP (see Mitigation Measure HYD-2) and a HASP (see Mitigation Measure HAZ-7) would be adequate to ensure that potential impacts on ecological receptors near remediation activities would be less than significant. No further mitigation is required.	Less than Significant	No
HAZ-9: Environmental restrictions currently prohibit residential land uses on the project site for all lands north of the Tinker Site. (Significant)	**HAZ-9:** Upon completion of remediation activities at the project site, the City of Alameda shall enter an agreement with the DTSC to remove this interim covenant and allow residential land uses at the project site. With the removal of this environmental restriction, project impacts associated with restriction violations would be considered less than significant.	Less than Significant	No
Biological Resources			
The project would not have significant adverse effects on the following 18 special-status animals due to the lack of suitable nesting or foraging habitat, and the extent of disturbance on the site: steelhead, winter-run Chinook salmon, longfin smelt, tidewater goby, double-crested cormorant, California clapper rail, western snowy plover, Caspian tern, northern harrier, merlin, peregrine falcon, burrowing owl, California horned lark, loggerhead shrike, salt marsh common yellowthroat, Alameda song sparrow, salt marsh harvest mouse, and Steeler's sea lion.	None required.	Not Applicable	No
The project would not have a significant impact on fish or wildlife movement corridors, wildlife breeding areas, or roosting sites.	None required.	Not Applicable	No
The project would not conflict with the City of Alameda's Historic Preservation Ordinance as it applies to native live oaks.	None required.	Not Applicable	No
The project would not conflict with any habitat conservation plans.	None required.	Not Applicable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
BIO-2: The proposed project could impact pallid bats and western mastiff bats that may roost in the abandoned buildings onsite. (Potentially Significant)	**BIO-2**: Within a 6-month period prior to any demolition of abandoned buildings, a qualified biologist familiar with bats shall conduct a survey to determine the status of these bat species on the project site. If special-status bat species are found, a biologist familiar with relocating bats shall be consulted regarding the best methods to remove bats from the buildings, and such methods shall be implemented. This could include removing sections of the walls and roofs, which could discourage bats from continuing to roost in the buildings. If a maternity colony if these species is found, the building and the bats shall not be disturbed until the young have dispersed.	Less than Significant	No
BIO-3: Construction of a new outfall structure and any improvements to existing outfalls within the Lagoon storm drain outfall structure and/or in the Oakland Inner Harbor that are necessary to serve the project could adversely impact California least tern and California brown pelican foraging habitat, Pacific herring spawning habitat, Chinook salmon, and/or open waters that are subject to US Army Corps of Engineers jurisdiction. (Potentially Significant)	**BIO-3a: Mitigation Measures Applicable to All Activities and Species** The project shall: • Implement Best Management Practices, as identified by the Regional Water Quality Control Board (RWQCB) to minimize water quality impacts (see also, Mitigation Measure HYD-2) (CSWQA, 2003). • Determine whether in-water activities (including dredging) will require Corps authorization in compliance with Section 10 (Rivers and Harbors Act) or Section 404 (Clean Water Act) and a Section 401 (Clean Water Act) water quality certification. The applicant shall obtain such approvals (if required) before activities proceed within Corps jurisdictional waters, and shall comply with all mitigation measures required by those approvals. • If the project will cause unavoidable direct or indirect effects to submerged or emergent aquatic vegetation, provide compensatory mitigation at a 3:1 ratio for lost functions and values. Other proposed ratios require consultation with USFWS and CDFG. **Mitigation Measure 3b: Mitigations Applicable by Species:** • During the Pacific herring spawning period (December 1 – February 28) dredging is restricted. If dredging must be conducted during this period, CDFG must be contacted and the permittee must provide an observer to identify herring spawning activity. Dredging must stop immediately if herring are within 200 meters of the work site, and may not continue until hatch-out is complete (approximately 10-14 days). • No dredging within 300 feet of the brown pelican nighttime communal roost site located at Alameda Breakwater will occur during the period between one hour before sunset to sunrise, and from July 1 to September 30.	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	• During the California least tern breeding season (March 15 – July 31) dredging is restricted within 3 miles of active nesting areas. • During the period of December 1 – May 3, dredging will be restricted to protect adult and juvenile salmonids occurring in the Bay.		
BIO-5: Construction activities could adversely affect non-listed special-status nesting raptors and other nesting birds. (Potentially Significant)	**BIO-5:** To the extent practicable, construction activities should be performed or vegetation removed from September through February to avoid the general nesting period for birds. If construction or vegetation removal cannot be performed during this period, pre-construction surveys should be performed by a qualified biologist no more than 14 days prior to construction activities to locate any active nests on site or within 250 feet from proposed construction activities prior to the start of construction and prior to the removal of any tree. If active nests are located, a 250-foot buffer zone will be established around any active nest which is not a raptor species; active raptor nests will require a 500 foot buffer zone. However, buffer zones can be reduced or modified on a case-by-case basis with consultation with CDFG. Construction activities shall avoid buffer zones and no tree with an active nest will be removed until the young have fledged or the nest is otherwise abandoned.	Less than Significant	No
Transportation, Circulation, and Parking			
Pedestrian and bicycle circulation.	None required.	Not Applicable	No
The project would create demand for transit service.	None required.	Not Applicable	No
The project would create demand for parking spaces.	None required.	Not Applicable	No
On-site circulation and access	None required.	Not Applicable	No
T/C-1: The generation of additional trips and the temporary closure of lanes during the construction period could cause circulation impacts on local roadways.	**T/C-1:** The construction period impacts of the proposed Project would be addressed by implementing the following measures: • The Project shall prepare a Traffic Control Plan (TCP) to address the impacts of construction vehicles on the regional and local roadways. The TCP shall address construction truck routes and access to the Project site; lane closures including those that may require coordination with and/or approval from the City of Oakland and Caltrans; and shall provide for coordination with closure of Webster Street and the Tubes as they are scheduled for closure for seismic safety repairs being completed independent of this Project. The TCP shall be submitted to the City of	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	Alameda Public Works Department for review and approval prior to the issuance of any building or grading permits. • In addition, the Project shall be responsible for restoring affected street surfaces to pre-construction conditions on roadways affected by construction vehicles consistent with the City's Pavement Management Program. • Construction traffic shall be restricted to designated truck routes within the Cities of Alameda and Oakland. • Construction traffic shall be restricted from using Mariner Square Drive for access to and from Constitution Way unless this route is determined by the Public Works Director to be the only feasible access. Where possible, trucks should access the site from Tinker Avenue (which may require construction of a temporary truck access) and along Atlantic Avenue. • The TCP shall include a signage program for all truck routes serving the site during construction. • Construction traffic shall be restricted to daytime hours and, to the extent feasible, shall be minimized during the AM and PM peak hours.		
T/C-2: The location of the school site at the intersection of 5th Street and Tinker Avenue could create safety hazards for pedestrians, bicycles, or automobiles.	**T/C-2:** Site planning for the school should pay close attention to safety, pedestrian activity, bicycle movements, and vehicle circulation issues related to its location. Orientation of school access points shall be designed to discourage jay walking and encourage use of controlled intersections. Vehicle queuing for student pick-up and drop-off should be discouraged near the intersection of 5th Street and Tinker Avenue. The City shall consider implementation of this mitigation as part of its review of the encroachment permits that would be required as part of the school project.	Less than Significant	No
T/C-3: The pairing of signals on Atlantic Avenue at 5th Street and West Campus Drive could create an operational hazard for automobiles.	**T/C-3:** Upon full buildout of the project, coordinate the signalized intersection of West Campus Drive and Atlantic Avenue, and the new signal at Fifth Street and Atlantic Avenue by interconnecting all three signals. The implementation of T/C-3 would reduce this potential impact to a less than significant level.	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
T/C-4 (Third and Atlantic): The introduction of additional traffic to the intersection of Third Street and Atlantic Avenue, a location where higher than average accident rates have been experienced, would represent a significant adverse impact.	**T/C-4:** Undertake the planned median improvements from 5th Street to Main Street on Atlantic Avenue. The Project shall pay its fair share toward the construction of these improvements.	Less than Significant	No
T/C-5 (Mariner Square Drive and Constitution Way): The 2000 EIR found that addition of Project traffic to the future baseline condition would result in an impact at the intersection of Mariner Square Drive and Constitution Way, which would operate at LOS F during the AM and PM peak hours. The current analyses confirms this intersection would continue to operate at an unacceptable level of service with the proposed project (during the weekend peak hour as well).	**T/C-5a:** (Tinker Extension Project) Construct the approved Tinker Extension project to extend Tinker Avenue from 5th Street to Webster Street, to provide a new connection from the project site to Webster Street and a new signalized intersection at Tinker Avenue and Webster Street. **T/C-5b:** Signalize the intersection of Mariner Square Drive and Constitution Way. Mitigation Measure T/C-5b would not be needed to mitigate project impacts in 2010 if Mitigation Measure T/C-5a were implemented prior to project buildout.	Less than Significant	No
T/C-6: (Atlantic and Webster) The 2000 EIR analysis found that addition of Project traffic to the future baseline condition would result in an impact at Atlantic Avenue and Webster Street, which would deteriorate from LOS D in the AM peak hour and LOS C in the PM peak hour to LOS F during both the AM and PM peak hours. The current analysis finds that with project traffic, the intersection would operate at LOS D in the AM, PM, and weekend peak hours in 2010.	None needed.	Not Applicable	No
T/C-7: (Atlantic and Constitution) The 2000 EIR found that addition of Project traffic to the future baseline condition would result in an impact at Atlantic Avenue and Constitution Way, which would deteriorate from LOS C to E during the AM peak hour. The current analysis finds that with project traffic the intersection would operate at LOS C in the AM, PM, and weekend peak hours in 2010.	None needed.	Not Applicable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
T/C-8: (Jackson and 6th) The 2000 EIR found that addition of Project traffic to the future baseline condition would result in a significant traffic impact at the intersection of Jackson Street and 6th Street, which would deteriorate from LOS D to LOS F during the AM peak hour and exacerbate LOS F conditions during the PM peak hour. This analysis finds that the traffic generated by the Project would cause conditions at the signalized intersection of 6th and Jackson Streets at the I-880 Northbound On-Ramp to degrade from LOS E to LOS F during the PM peak hour and would add more than four seconds of delay, which is a significant impact.	**T/C-8a (Jackson and 6th):** Provide a separate left and through lane on the northbound approach of Jackson Street at 6th Street. The construction of a separate northbound left-turn lane at Jackson Street and 6th Street would be required before any of the office/R&D development is occupied as the Project exacerbates an existing deficiency condition. The Route 260 Deficiency Plan also includes this improvement. The Project shall contribute its fair share toward the construction of this improvement. With this improvement (shown in Figure IV.H-6), the intersection would operate at LOS B and C during the AM and PM peak hours, respectively. Unless already completed by the City of Oakland prior to issuance of the building permits for the first phase of the Catellus Project, the project proponents shall fund optimization of the traffic signal timing at the signalized intersection of 6th and Jackson Streets at the I-880 Northbound On-Ramp. Optimization of traffic signal timing shall include determination of allocation of green time for each intersection approach in tune with the relative traffic volumes on those approaches, and coordination with signal phasing and timing of adjacent intersections. **T/C 8b: Transportation Demand Management (TDM)**. To reduce the peak-hour traffic along local roadway segments to levels below those forecast in this analysis (which does not assume any reduction in trip generation rates to account for TDM programs, the Project shall implement a comprehensive set of TDM programs for each of the residential, retail and office components of the Project. The TDM Plan should meet the requirements of the City of Alameda's 2001 Transportation Capacity Management Procedure (TCMP) and be compatible with the Alameda Point Transportation Strategy and designed to be easily expanded to serve Alameda Point and be co-funded by the future developments at Alameda Point. The existing City of Alameda ordinance for trip reduction programs identifies measures to increase the awareness and use of alternative modes of transportation. The Project shall develop a TDM plan, which would be approved and operational before the site is occupied. The plan shall include trip reduction strategies, site specific requirements, a schedule of implementation and funding mechanisms, and an evaluation of effectiveness that demonstrates compliance with the TCMP requirements. The Project TDM program could include the following components: • Create a position of Transportation Systems Manager. The manager would coordinate, monitor and implement the Project components' ride sharing programs, preferential parking plans, car and van pooling	Less than Significant if Mitigation Measure T/C-8a were implemented. Significant and Unavoidable if Mitigation Measure T/C-8a were not implemented.	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	programs, bicycle and pedestrian programs, promotion and marketing activities, and BART shuttle, water shuttle, and/or AC Transit services. • Develop parking management strategies for the site. Most parking management plans are directed at the employment end of the trip. Elements such as car pools and van pools, preferential parking and transit incentives should be used to reduce parking demand. The Transportation Systems Manager would need to work with all employer groups to develop the parking management strategies. To the degree that on-site home-to-work opportunities may exist, internal shuttle systems could be provided which would reduce parking on-site. As a parking management strategy, the plan may require that parking in employment/commercial sites be leased independently from buildings to allow for parking cash out. Such a strategy should be detailed in the TDM plan as one measure to achieve a reduction in trips. Other "Transit First" design measures (as outlined in guidelines prepared by the ACCMA) could be incorporated into the specific site design. • Implement a shuttle bus system that inter-connects on-site developments and the internal transit centers. Implement shuttle services and/or contribute to the expansion of AC Transit service to provide linkages between the site and off-site ferry and BART terminals. The TDM plan would include details for the internal shuttle, including funding and operations. • For office and R&D uses, require implementing one or more peak-hour trip reduction and/or trip elimination programs. These components would include: compressed work weeks, telecommuting, staggered hours, flex-time and other trip reduction activities. • As a condition of approval, the City of Alameda could require contributions to fund the various trip reduction programs developed by the Transportation Systems Manager. Contributions could be based on the number of employees. Funding of the trip reduction program should be detailed and tied to site assessments and CC&Rs or the municipal services district. A per-employee and per-residential-unit rate could be included. Funding could be developed on the amount of trip reduction required and the types of strategies recommended in the TDM plan. • Employers could be encouraged to hire local residents and create incentive programs to attract local residents.		

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	• The Transportation System Manager for the site should participate in all of the area-wide or regional transportation planning studies that relate to the access routes relating to the site. To the degree possible, the TDM program for the site should be augmented to incorporate the portions of these regional and local studies that would enhance the site's TDM program and reduce regional traffic during the peak hours. • The project proponent will provide annual report to the City documenting activities completed under the TDM Plan.		
T/C-9: (7th and Harrison) The 2000 EIR found that the addition of Project traffic to the future baseline condition would result in a significant traffic impact at the intersection of Harrison Street and 7th Street in the City of Oakland, which would deteriorate from LOS C to LOS F during the PM peak hour.-The current EIR finds that the project would not have an impact at this location due to the two free right-turn lanes and three through lanes at this intersection, which provides adequate capacity for the two lanes of traffic exiting tube and the one way flow of traffic through the intersection from 7th Street.	None needed.	Not Applicable	No
T/C-10: (Jackson and 5th) The addition of any Project traffic to the future baseline condition would result in a significant traffic impact at the intersection of Jackson Street and 5th Street in the City of Oakland, which would exacerbate LOS F conditions during the PM peak hour. There have been substantial geometric changes at this intersection since the 2000 EIR analysis was conducted. These geometric enhancements greatly reduced the average delay experienced at this intersection, not only under existing conditions, but in 2010 as well.	None needed.	Not Applicable	No
T/C-11: (Atlantic and Webster) The 2000 analysis found that under year 2020 cumulative conditions, a significant impact would result at the intersection of Atlantic Avenue at Webster Street, which would deteriorate to LOS F during the AM peak hour and LOS E during the PM peak hour. Although the current	**T/C-11:** Implement the following three-part mitigation: Modify the existing signal timing by maintaining the current minimum green times but increasing the cycle length to 130 seconds. This improvement would result in LOS D during the AM and PM peak hours. **T/C-11a:** Implement Mitigation Measure T/C-5a Tinker Extension Project.	Less than significant with implementation of Mitigation Measure T/C-11; Significant and unavoidable if Mitigation Measure T/C-11 were	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
analysis uses a different cumulative year of 2025, this analysis confirms that the intersection will operate at unacceptable levels of service in the cumulative condition. The signalized intersection of Atlantic Avenue and Webster Street would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. This represents a significant cumulative impact.	**T/C-11b:** Mitchell Avenue Extension. Construct the Mitchell Avenue Extension from the western project boundary to a new signalized intersection at Main Street. The project applicant shall pay a fair share contribution toward the construction of the extension of Mitchell Avenue from Mariner Square Loop to Main Street, including the signal at Main Street, taking into account that the project proposes to fund 100 percent of the cost of the construction of Mitchell Avenue from Mariner Square Loop to the western project boundary. **T/C-11c: Atlantic and Webster Intersection Improvements.** Modify the intersection as follows: (a) Webster Street (Northbound) – add one dedicated Left-turn lane, convert the current Through/Right-turn lane to a dedicated Through lane, and add a dedicated Right-turn lane; (b) Atlantic Avenue (Westbound) – convert the existing Through/Right-turn lane to a dedicated Through lane and add one dedicated Right turn lane; and (c) Atlantic Avenue (Eastbound) – convert the Though/Left-turn lane to a dedicated Left-turn lane and add a Through lane.	not implemented.	
T/C-12: (Central and Eight) The 2000 EIR found that under year 2020 cumulative conditions, a significant impact would result at the intersection of Central Avenue and Eighth Street, which would deteriorate to LOS E during the PM peak hour. The current analysis confirms that the intersection will be adversely affected in the cumulative condition, but finds that the intersection will operate at LOS F in 2025 during both the AM and PM peak hours. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. This represents a significant impact.	**T/C-12:** Implement TDM Mitigation Measure T/C-8b.	Significant and Unavoidable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
T/C-13: (Main at Pacific) The 2000 EIR found that under year 2020 cumulative conditions, a significant impact would result at the intersection of Pacific Avenue at Main Street, which would deteriorate to LOS F during the AM and PM peak hours. The current analysis finds that a very small number of trips generated by the project would use this intersection.	None needed.	Not Applicable	No
T/C-14: (Tinker and Webster) The 2000 analysis found that under year 2020 cumulative conditions, a significant impact would result at the intersection of the Tinker Avenue extension and Webster Street, which would deteriorate to LOS F during the PM peak hour. The 2000 EIR recommended that the design of the proposed Tinker Avenue and Webster Street intersection be modified to include an extra turn lane from Webster Street. Since 2000, the Tinker Extension Project has undergone a substantial amount of design work and is currently being reviewed by Caltrans. The current geometry of the intersection is designed to accommodate all of the cumulative condition traffic and to operate at an acceptable level of service.	None needed.	Not Applicable	No
T/C-15: (Jackson and 6th) The 2000 EIR found that under year 2020 cumulative conditions, a significant impact would result at the signalized intersection of Jackson Street and 6th Street in the City of Oakland, which would deteriorate to LOS F during the PM peak hour. The current analysis finds that in 2025, the intersection would operate at LOS F during both the AM and PM peak hours. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the peak hours, as measured by the difference between existing and cumulative (with project) conditions. This represents a significant impact.	**T/C-15:** Implement TDM Mitigation Measure T/C-8b.	Significant and Unavoidable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
T/C-16: (Oak and 5th) The 2000 EIR found that under year 2020 cumulative conditions, a significant impact would result at the intersection of Oak Street and 5th Street in the City of Oakland, which would deteriorate to LOS E during the PM peak hour. Current analysis shows that this intersection would operate at an acceptable LOS A in the AM and LOS D in the PM under 2025 cumulative conditions.	None needed.	Nott Applicable	No
T/C-17: (Broadway and 5th) The 2000 EIR found that in the year 2020 cumulative conditions, a significant impact would result at the intersection of Broadway and 5th Street in the City of Oakland, which would deteriorate to LOS F during both the AM and PM peak hours. The current analysis finds that the signalized intersection of 5th Street and Broadway would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. This represents a significant impact.	**T/C-17:** Implement TDM Mitigation Measure T/C-8b.	Significant and Unavoidable	No
T/C-18: Regional Roadways (2005) The 2000 EIR found that the Catellus Mixed Use Project would have a significant impact on one regional roadway segment in 2005: 7th Street in Oakland. The current analysis examines the impact of the project in 2010 and finds that the addition of Project-generated traffic to the regional and local roadways would adversely affect six roadway segments.	**T/C-18:** To reduce congestion local and regional roadways, the project shall include a comprehensive trip reduction strategy as required by TDM Mitigation Measure T/C-8b.	Significant and Unavoidable	No
T/C-19: Regional Roadways (2020) The 2000 EIR found that the Catellus Mixed Use Project would have a significant impact on five regional roadways in 2020: the Webster Tube, 7th Street (Harrison to Jackson), Atlantic Avenue (Main Street to Webster Street), Park Street, and High Street. The current analysis examines the impact of the project in 2010 and finds	**T/C-19:** Implement revised Mitigation Measure T/C –18.	Significant and Unavoidable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
that the addition of Project-generated traffic to the regional and local roadways would adversely affect nine roadway segments.			
T/C-20: Traffic generated by the Project would affect traffic levels of service at local intersections in the Project vicinity in 2010 during the weekday AM and PM peak hours and weekend. (Significant Impact at the intersections described below under Impacts T/C-20a through T/C-20g)			
T/C-20a: Traffic generated by the Project would cause the signalized intersection of *Central Avenue and 8th Street (#9)* to degrade from LOS D to LOS F in the PM peak hour. (Significant)	**T/C-20a:** Implement TDM Mitigation Measure T/C-8b.	Significant and Unavoidable	No
T/C-20b: Traffic generated by the Project would cause the signalized intersection of *Marina Village Parkway and Constitution Way (#10)* to degrade to LOS E during both the AM and PM peak weekday hours. (Significant)	**T/C-20b:** Modify the signal phasing at this location to allow traffic turning right off Marina Village Parkway onto Constitution Way to overlap with traffic turning left from Constitution Way to Marina Village Parkway	Less than Significant	No
T/C-20c: Traffic generated by the Project would cause the unsignalized intersection of *Tinker Avenue and Mariner Square Loop (#11)* to degrade to LOS F during both the AM and PM peak weekday hours, and during the weekend peak hour. (Significant)	**T/C-20c:** Implement Mitigation T/C–5a Tinker Extension and TDM Mitigation Measure T/C-8b.	Less than significant if the Tinker extension is implemented. Significant and unavoidable if the Tinker Extension is not implemented.	No
T/C-20d: The unsignalized intersection of *Mitchell Avenue and 5th Street (#13)*, which would be constructed by the Project, would operate at LOS F in the PM peak hour. (Significant)	**T/C-20d:** Install traffic signals at the intersection of Mitchell Avenue and 5th Street. Traffic signal equipment shall include pedestrian signal heads (with adequate time for pedestrians to cross the streets).	Less than Significant	No
T/C-20e: Traffic generated by the Project would cause the unsignalized intersection of *Marina Village Parkway and Mariner Square Loop (#14)* to degrade from LOS B to LOS F in both the AM and PM peak hours. (Significant)	**T/C-20e:** Install traffic signals at the intersection of Marina Village Parkway and Mariner Square Loop. Traffic signal equipment shall include pedestrian signal heads (with adequate time for pedestrians to cross the streets).	Less than Significant	No

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SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
T/C-20f: Traffic generated by the Project would cause conditions at the unsignalized intersection of *Tinker Avenue and 5th Street (#17)* to degrade from LOS B to LOS F during the PM peak hour (and under Variant B only, from LOS B to LOS F during the AM peak hour). (Significant)	**T/C-20f:** Install a traffic signal at the intersection of Tinker Avenue and 5th Street. Traffic signal equipment shall include pedestrian signal heads (with adequate time for pedestrians to cross the streets).	Less than Significant	No
T/C-20g: The LOS F conditions at the signalized intersection of *5th Street and Broadway (#30)*, which would prevail during the PM peak hour under 2010 baseline conditions, would worsen with the addition of traffic generated by the Project. The Project-generated increases in vehicle delay on a critical movement would exceed the four-second threshold of significance. (Significant)		Significant and Unavoidable	No
T/C-21: Traffic generated by buildout of the Project would contribute to cumulatively significant impacts at local intersections in the Project vicinity in 2025. (Significant Impact at the intersections described below under Impacts T/C-21a through T/C-21n)			
T/C-21a: The signalized intersection of *Atlantic Avenue and Constitution Way (#4)* would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	None available.	Significant and Unavoidable	No
T/C-21b: The signalized intersection of *Lincoln Avenue and Constitution Way (#7)* would operate at LOS D during the AM peak hour and at LOS F during PM peak hour in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the PM peak hour, as measured by the difference between existing and cumulative (with project) conditions, and buildout	None available.	Significant and Unavoidable	No

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Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
under Variant B only would cause the service level to degrade to LOS F during the AM peak hour. (Significant)			
T/C-21c: The signalized intersection of *Marina Village Parkway and Constitution Way (#10)* would to operate at LOS F during both the AM and PM peak weekday hours. Traffic generated by buildout of the Project would contribute at least three percent of the cumulative traffic increases during the PM peak hour, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	**T/C-21c:** Modify the signal phasing at this location to allow traffic turning right off Marina Village Parkway onto Constitution Way to overlap with traffic turning left from Constitution Way to Marina Village Parkway.	Less than Significant	No
T/C-21d: The unsignalized intersection of *Tinker Avenue and Mariner Square Loop (#11)* would to operate at LOS F during both the AM and PM peak weekday hours. Traffic generated by buildout of the Project would contribute at least three percent of the cumulative traffic increases during the PM peak hour, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	**T/C-21d:** Implement Mitigation T/C–5a Tinker Extension and TDM Mitigation Measure T/C-8b.	Less than Significant if the Tinker extension is implemented. Significant and unavoidable if the Tinker Extension is not implemented.	No
T/C-21e: The unsignalized intersection of *Mariner Square Drive and Constitution Way (#12)* would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	None feasible.	Significant and Unavoidable.	No
T/C-21f: The unsignalized intersection of *Mitchell Avenue and 5th Street (#13)*, which would be constructed by the Project, would operate at LOS F in both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and	Implement Mitigation Measure T/C-20d.	Less than Significant.	No

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Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
cumulative (with project) conditions. (Significant)			
T/C-21g: The unsignalized intersection of *Marina Village Parkway and Mariner Square Loop (#14)* would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	**T/C-21g:** Implement Mitigation Measure T/C-5a (Tinker Extension Project)	Less than Significant if the Tinker extension is implemented. Significant and Unavoidable if the Tinker Extension is not implemented.	No
T/C-21h: The unsignalized intersection of *Marina Village Parkway and Mariner Square Drive (#15)* would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	**T/C-21h:** The project applicant shall pay its fair share contribution to **s**ignalization of the intersection at Marina Village Parkway and Mariner Square Drive. **T/C-21g:** Implement T/C-5a **(**Tinker Extension Project)	Less than Significant if Mitigation Measures T/C-21h and T/C-21g are implemented. Significant and Unavoidable if Mitigation Measures T/C-21h and T/C-21g are not implemented.	No
T/C-21i: The signalized intersection of *Tinker Avenue and Main Street (#16)* would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	**T/C-21i:** The project applicant shall pay its fair share contribution to construct two additional lanes on the westbound approach, to include a dedicated through lane, a dedicated left-turn lane, and a through-right lane, and an additional dedicated through lane on the eastbound approach. With these improvements, the intersection would operate at LOS D in the AM and PM peak periods.	Less than Significant	No
T/C-21j: The unsignalized intersection of *Tinker Avenue and 5th Street (#17)* would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	**T/C-21j:** Install a signal at the intersection of Tinker Avenue and 5th Street prior to project buildout as required by Mitigation Measure T/C-20f. The project applicant shall also pay a fair share contribution to the cost of expanding the intersection to include two lanes in either direction on Tinker.	Less than Significant.	No

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Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
T/C-21k: The signalized intersection *Atlantic Avenue and 5th Street (#20)* would operate at LOS F during both the AM and PM peak hours in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during both the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	**T/C-21k:** Implement Mitigation Measure T/C-5a (Tinker Extension)	Significant and Unavoidable if Tinker Extension not constructed; Less than significant with Mitigation Measure T/C-21k.	No
T/C-21L: The signalized intersection of *7th Street and Jackson Street (#23)* would operate at LOS E and LOS F during the AM and PM peak hours, respectively, in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during both the AM and PM peak hours, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	None feasible.	Significant and Unavoidable	No
T/C-21m: The signalized intersection of *7th Street and Harrison Street (#27)* would operate at LOS E during the PM peak hour in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the PM peak hour, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	None feasible.	Significant and Unavoidable	No
T/C-21n: The signalized intersection *12th Street and Brush Street/I-980 Southbound Off-Ramp (#31)* would operate at LOS F during the AM peak hour in 2025. Traffic generated by buildout of the project would contribute at least three percent of the cumulative traffic increases during the AM peak hour, as measured by the difference between existing and cumulative (with project) conditions. (Significant)	None feasible.	Significant and Unavoidable.	No

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Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
Air Quality			
Future tenants of the proposed project could generate new emissions of odors or toxic air contaminants as a part of their operations.	None.	Not Applicable	No
Future tenants of the proposed project could use or store chemicals that could result in acutely hazardous air emissions under upset conditions.	None.	Not Applicable	No
Increases in roadway congestion resulting from project traffic could result in a violation of the state or federal standards for carbon monoxide.	None.	Not Applicable	No
AQ-1: Construction-period activities such as demolition, excavation and grading operations, construction vehicle traffic, utility extensions and improvements, and roadway reconstruction would generate exhaust emissions and fugitive particulate matter emissions that would affect local air quality. (Significant Impact)	**AQ-1a:** Consistent with the BAAQMD's preferred approach, the project developer shall ensure that the following measures are included in construction contracts and specifications to control fugitive dust emissions. • Water all active construction areas at least twice daily and more often during windy periods; active areas adjacent to existing land uses shall be kept damp at all times, or shall be treated with non-toxic stabilizers or dust palliatives; • Cover all trucks hauling soil, sand, and other loose materials or require all trucks to maintain at least 2 feet of freeboard. • Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites; • Sweep daily (with water sweepers) all paved access roads, parking areas and staging area at construction sites; water sweepers shall vacuum up excess water to avoid runoff-related impacts to water quality; • Sweep streets daily (preferably with water sweepers) if visible soil material is carried onto adjacent public streets; • Hydroseed or apply non-toxic soil stabilizers to inactive construction areas; • Enclose, cover, water twice daily or apply non-toxic soil binders to exposed stockpiles (dirt, sand, etc.). • Limit traffic speeds on unpaved roads to 15 mph;	Less than Significant	No

TABLE 6-1
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Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	• Install sandbags or other erosion control measures to prevent silt runoff to public roadways; and • Suspend excavation and grading activity whenever the wind is so high that it results in visible dust plumes despite control efforts. **Measure AQ-1b:** The Project developer shall ensure that emissions from construction equipment exhaust, and from workers commuting to the site, are reduced from implementation of the following measures: • Store construction tools on-site in secure facilities to encourage commuting by transit; • Use alternative fueled construction equipment to the fullest extent possible; • Minimize addling time (e.g., 5-minute maximum); • Maintain properly tuned equipment according to equipment manufacturer's guidelines; and • Limit hours of operation of heavy duty equipment to the hours between 7:00 A.M. and 7:00 P.M. Monday through Friday, and between 8:00 A.M. and 5:00 P.M. on Saturday, as specified in Section J, Noise, of this chapter and in the City of Alameda Community Noise Ordinance. **AQ-1c:** To minimize air quality impacts to the lowest practicable levels, BAAQMD Regulation 11, Rule 2: Hazardous Materials; Asbestos Demolition, Renovation and Manufacturing shall be adhered to during the demolition/construction process.		
AQ-2: New traffic generated by the Project and new stationary source emissions would increase regional emissions beyond the BAAQMD significance standards. (Significant)	**AQ-2 (revised):** The following measures, if applied to office, commercial and R&D areas and uses in the proposed Project, would reduce this impact. These measures represent a menu of options for reducing the intensity of long-term air quality impacts. However, this air quality impact would remain significant and unavoidable. • Construct transit facilities such as bus turnouts/bus bulbs, benches, shelters, etc; • Provide shuttle service to the BART station to encourage employee and resident use for their daily commute; • Implement carpool/vanpool program, e.g., carpool ridematching,	Significant and Unavoidable	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	assistance with vanpool formation, provision of vanpool vehicles, etc; • Provide preferential parking for carpool and vanpool vehicles; • Provide for electric vehicle (EV) outlets for employee and resident vehicles and maintenance; • Provide on-site shops and services for employees, such as cafeteria, bank/ATM, dry cleaners, convenience market, etc., or provide midday shuttle service from work site to food service establishments/commercial areas; • Provide on-site child care, or contribute to off-site child care within walking distance; • Provide secure, weather-protected bicycle parking for employees; • Provide safe, direct access for bicyclists to adjacent bicycle routes; • Provide showers and lockers for employees bicycling or walking to work; • Provide secure short-term bicycle parking for retail customers and other non-commute trips; and • Obtain the required permit to burn wastes that result from "Land Development Clearing" through BAAQMD and/or the local fire agency, depending on the time of year the burning is to take place. Only vegetative waste materials may be disposed of using an open outdoor fire.		
The project would have a less than significant air quality impact as a result of the siting of residential uses near Port facilities.	No mitigation required.	Not Applicable	No
Noise			
Construction Period Impacts, Noise Impacts to On-site Uses, Long-term Aircraft and Train Noise Impacts, Long-term vehicular Traffic Noise Impacts, Noise Effects on Off-site Sensitive Uses	No mitigation required.	Not Applicable	No
NOI-1: On-site residential uses and the school site may be exposed to levels of traffic noise from Atlantic Avenue that would exceed the acceptable outdoor noise levels. (Significant)	**NOI-1**: *Detailed noise studies that consider the specific design of the residential areas proposed adjacent to Atlantic Avenue and Tinker Avenue and determine what the maximum height of the sound wall(s) will need to be to achieve an acceptable exterior noise level shall be prepared by a*		No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	qualified noise consultant. The studies shall be submitted to the City for review and the recommendations shall be incorporated into the Development Plan and the Project improvement Plans (see Mitigation Measure AES-3). Design measures such as the following could also be required (by the City's Noise Element Policy 8.7.f), depending on the specific findings of the detailed noise study: double-paned glass for windows facing the direction of traffic; weather-tight seals for doors and windows; or mechanical ventilation such as an air conditioning system		
NOI-2: The proposed project could result in exposure of on-site residents to unacceptable noise levels from off-site noise sources. (Potentially Significant)	**NOI-2:** The residential developer(s) shall submit a detailed noise study, prepared by a qualified noise consultant, to determine design measures necessary to achieve acceptable exterior and interior noise levels at the proposed new residences. If possible, this study should be conducted after existing on-site tenants have vacated the site, as their activities may affect the degree of design measures required. The study shall be submitted to the City for review and the recommendations shall be incorporated into the Planned Development permit plan and the project improvement plans. Design measures such as the following could be required, depending on the specific findings of the noise study: orienting new homes to face Tinker Avenue, the 5th Street Extension and the Mitchell Avenue Extension to ensure that rear yard open space is buffered from the street; double-paned glass windows facing the noise source; weather-tight seals for doors and windows; or mechanical ventilation such as an air conditioning system.	Less than Significant	No
NOI-3: Onsite residential uses may be exposed to levels of traffic noise from the 5th Street Extension, Tinker Avenue and the Mitchell Avenue Extension that would exceed City standards for exterior noise levels. (Potentially Significant)	**NOI-3:** Implement Mitigation Measure NOI-2.	Less than significant	No
Public Services			
Implementation of the proposed project could affect the ability of the Alameda Unified School District to adequately provide educational services to school-age residents of City of Alameda.	None.	Not Applicable	No
The project would create extensive new parks and open space. Furthermore, the increased population resulting from the project would not result in the use of existing parks and recreation facilities such that	None. (Beneficial)	Not Applicable	No

TABLE 6-1
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Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
substantial physical deterioration of such facilities would occur, nor would the project result in City residents being outside the target maximum radius (within 3/8-mile) of a park.			
Implementation of the proposed project would result in an increase the demand for police protection services.	None.	Less than Significant	No
Implementation of the proposed project would result in an increase the demand for fire protection services.	None.	Less than Significant	No
PUB-1: Development of the proposed project would interfere with the City of Alameda's Fire Department's Disaster Response Plan. (Potentially Significant)	**PUB-1a:** The City of Alameda Planning Department shall work with the Fire Department to provide for the installation of saltwater pumping facility for use by the City of Alameda Fire Department in a seismic event. **PUB-1b:** As part of the Project's Improvement Plans for the wharf area, the City of Alameda shall work with the Fire Department to ensure that adequate access for pumping vehicles operated by City of Alameda Fire Department is provided within 40 feet of the facility. **PUB-1c:** The City of Alameda shall construct the facility during construction of the waterfront promenade.	Less than Significant	No
PUB-2: Demolition of the existing structures on the project site would result in the generation of large quantities of solid waste, which would include large quantities of potentially recyclable materials. (Potentially Significant)	**PUB-2:** As part of the required Waste Management Plan for the project, the project sponsor shall work with organizations able to provide funding and technical assistance for managing and financing the demolition, recycling and reuse project. The Waste Management Plan include plans for managing the construction debris that promotes separation of waste types and recycling, and provides for reuse of materials onsite for reconstructing infrastructure. This plan shall be prepared in coordination with City staff, the project sponsor, the demolition subcontractor and any involved organizations per Mitigation Measure PUB-2, and shall be approved by City staff prior to issuance of a demolition permit as required by Chapter 21 of the Municipal Code.	Less than Significant	No
PUB-3: Demolition of existing structures on the project site would result in the generation of large quantities of solid waste which are not reusable or recyclable, including hazardous waste. (Potentially Significant)	**PUB-3:** There is no mitigation available to reduce the amount of hazardous waste generated during project demolition. This impact would therefore be significant and unavoidable.	Significant and Unavoidable	No

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Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
PUB-4: Operations of the completed project would result in an increase in solid waste generated in the City of Alameda. (Less than Significant)	No mitigation required.	Not Applicable	No
Utilities and Service Systems			
The implementation of the proposed project would create an increased demand for electricity at the project site.	None.	Not Applicable	No
The implementation of the proposed project would create an increased demand for natural gas at the project site.	None.	Not Applicable	No
The implementation of the proposed project would create an increased demand for telephone and cable services at the project site.	None.	Not Applicable	No
UTL-1: The Project could result in wasteful water use if appropriate measures are not implemented. (Potentially Significant)	**UTL-1:** The Project shall incorporate the following water conservation measures to help minimize any increase in EBMUD's system-wide water consumption: • The use of potable water for irrigation shall be minimized by encouraging homeowners to utilize drought-tolerant plant materials and gardening techniques in the design of landscaped areas, and by requiring commercial properties to install and maintain drought-resistant landscaping with limited areas of turf, in accordance with the City's water conservation landscaping design standards. • The use of water conserving fixtures, such as low-flow toilets and shower heads, flow reducing aerators on sinks, and automatic shut-off faucets in commercial buildings, in accordance with the Uniform Plumbing Code.	Less than Significant	No
UTL-2: If wastewater from the Project areas that now drain to sub-basin 64-5-2 are rerouted into sub-basin LA2 (under Option A), the resulting peak flow rates could exceed the capacity of the existing Mitchell sewer line. (Potentially Significant)	**UTL-2:** The project sponsor shall construct a new parallel line to supplement the EMBUD Mitchell line to provide combined capacity required to the siphon junction structure [Footnote 5] Furthermore, additional gravity flow capacity shall be installed as part of the Project improvements and shall be extended to the Alameda interceptor or to the point at which gravity flow capacity becomes available.	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
UTL-3: If existing asbestos cement pipe is either removed during Project construction or crushed in place with insufficient cover, asbestos dust could be released into the air and hazardous materials could contaminate pipe disposal sites. (Potentially Significant)	**UTL-3:** Implementation of Mitigation Measure HAZ-3 as stated below would reduce this impact to a less-than-significant level: • Adherence by the Project sponsors and the City to existing regulations requiring abatement of lead and asbestos hazards and worker health and safety procedures during demolition and renovation activities would reduce this impact to a less-than-significant level. No additional mitigation is required.	Less than Significant	No
UTL-4: Under the cumulative condition, the proposed Project still has the potential to contribute to wastewater flows which may exceed the capacity of existing estuary transport facilities and exceed the NAS Alameda's allocation at the EBMUD Water Pollution Control Plan (WPCP).	**UTL-4:** Should the City determine that it needs to further reduce its overall peak flows into the WPCP, the proposed Project should contribute its fair share of the costs associated with the design and development of a sewer retention facility or an enhanced West Alameda I&I Program.	Less than Significant	No
UTL-5: Phase abandonment of the existing gas distribution lines on the Project site may leave some facilities in place that present unsafe hazardous conditions. (Potentially Significant)	**UTL-5:** A gas line abandonment plans shall be prepared by the Project or other responsible entity for approval. At a minimum, it is recommended that the plan address the following issues: • Scheduling for service disconnection at buildings to be demolished; • Completion of mapping, leak detection and repairs on all portions of the existing system that may be impacted by Project construction, and that are planned to remain in service during Project construction; and	Less than Significant	No
	• Compliance with all other CPUC provisions relating to system abandonment. • Implementation of Mitigation Measure UTL-5 would reduce potential impacts to less than significant levels.		
Cultural Resources			
CUL-1: If previously undiscovered cultural resources are unearthed during construction on the project, a significant impact would occur. (Potentially Significant)	**CUL-1:** In the event that previously unidentified cultural resources are discovered during site preparation or construction, the project sponsor shall cease work in the immediate area until such time as a qualified archaeologist and City of Alameda personnel can assess the significance of the find. The following mitigation measures shall be implemented at the time of the find: • Activity in the vicinity of the suspected resources shall be immediately	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	suspended and City of Alameda personnel and a qualified archaeologist shall evaluate the find. Project personnel shall not alter any of the uncovered materials or their context. • If a human burial or disassociated human bone is encountered, current state law requires that the County Coroner be called immediately. All work must be curtailed in the vicinity of the discovery until the Coroner's approval to continue has been received. • If archaeological resources are discovered, and the City and the cultural resource consultant find that the resource is unique based on the criteria provided in the CEQA Guidelines and criteria listed above, the City and the project developer, in consultation with a cultural resource expert, shall seek to avoid damaging effects on the resources wherever feasible. • If the City determines that avoidance is not feasible, a qualified cultural resource consultant shall prepare an excavation plan for mitigating the effect of the project on the qualities that make the resource unique. The mitigation plan shall be prepared in accordance with CEQA Guidelines and shall be submitted to the City for review and approval.		
CUL-2: If buried paleontological resources are discovered on the project site, a significant impact would result. (Potentially Significant)	**CUL-2.** If paleontological resources are encountered during project site preparation or construction activities, the following mitigation measures shall be implemented: • Activity in the vicinity of the suspected resource(s) shall be immediately suspended and City of Alameda personnel and a qualified paleontological resource consultant shall be contacted to evaluate the find. Project personnel shall not alter any of the uncovered materials or their context. • If paleontological resources are discovered, and the City and the paleontological resource consultant find that the resource is unique based on the criteria provided in the CEQA Guidelines and criteria listed above, the City and the project developer, in consultation with a paleontological resource expert, shall seek to avoid damaging effects on the resources wherever feasible. • If the City determines that avoidance is not feasible, a qualified paleontological resource consultant shall prepare a salvage plan for mitigating the effect of the project on the qualities that make the resource unique. The project applicant, in consultation with a qualified	Less than Significant	No

TABLE 6-1
SUMMARY OF IMPACTS AND MITIGATION MEASURES

Impact	Mitigation Measure	Level of Significance after Mitigation	Amended from the 2006 SEIR
	paleontologist, shall complete a paleontological resource inventory, declaration, and mitigation plan in accordance with CEQA Guidelines and shall be submitted to the City for review and approval.		
Aesthetics			
AES-1: The proposed project would create a generally beneficial aesthetic impact on the project site and in the project vicinity by removing deteriorating buildings, eliminating open expanses of pavement, creating a greater continuity of land use, and introducing new public views. (Beneficial)	None required.	Not Applicable	No
AES-2: The proposed project could expose waterfront tenants and patrons to industrial lighting that may generate unacceptable levels of glare during hours of darkness. (Less than Significant)	None required.	Not Applicable	No
AES-4: The proposed project could generate light and glare which would be visible primarily from the northern shore of the Oakland Estuary at Jack London Square, as well as from existing and proposed circulation corridors and residential areas within the City of Alameda. (Potentially Significant)	**AES-4a:** The specific reflective properties of the project building materials should be assessed by the City during the Design Review as part of the Development Plan approval process. Design review shall ensure that the use of reflective exterior materials is minimized. **AES-4b:** Specific lighting proposals shall be reviewed and approved by the City prior to installation. This review shall ensure that any outdoor night lighting for the proposed waterfront promenade would be downshielded and would not create additional nighttime glare.	Less than Significant	No
AES-5: The proposed project retail (Variant A) and office/R&D (Variant B) development could generate light and glare which would be visible primarily from the existing USCG Housing and the proposed multi-family housing. (Potentially Significant)	**AES-5:** Specific lighting proposals for the proposed office/R&D and retail parking lot areas shall be reviewed and approved by the City during Design Review for office/R&D and retail structures. This review shall ensure that any outdoor night lighting for the proposed office/R&D and retail parking lot areas is downshielded and would not create nighttime glare for surrounding residential areas.	Less than Significant	No

CHAPTER 7
References

ESA, 2006. Alameda Landing Mixed Use Development Draft/Final Supplemental EIR. March, 2006.

Fehr & Peers, 2011. Transportation Analysis for the Revised Alameda Landing Land Use Plan. October 24, 2011.

ALH/ECON, 2011. Alameda Landing Urban Decay Analysis Summary of Findings. November 2011.

Attachment A

Transportation Analysis for the Revised Alameda Landing Land Use Plan

ESA

FEHR PEERS

MEMORANDUM

Date: October 24, 2011

To: Steve Buster, Catellus

From: Ben Larson, PE

Subject: ***Transportation Analysis for the Revised Alameda Landing Land Use Plan***
SF11-0580

Fehr & Peers analyzed the impact of implementing the revised Alameda Landing (Project) land use plan compared to the plan presented and analyzed in the Alameda Landing Mixed Use Development Project Environmental Impact Report (EIR) certified in 2006 (amended in 2007 and 2008). The original EIR analyzed the following land use configuration:

Office:	400 KSF	
Residential:	300 dwelling units	- 50 low-rise apartments
		- 50 duplexes
		- 200 single-family
Retail:	320 KSF	- 2.5 KSF Fast Food
		- 20 KSF Health Club
		- 297.5 KSF Retail

The revised Project maintains the office and residential uses, and generally the retail uses, but shifts the retail use so that there would be 285 KSF south of Mitchell Avenue and 15 KSF north of Mitchell Avenue. This compares to the originally proposed 50 KSF north of Mitchell Avenue and 250 KSF south of Mitchell Avenue. A large component of the retail has been identified as a Target store, which has a substantially higher trip generation rate than a typical shopping center. The land use totals are as follows:

Office:	400 KSF	
Residential:	300 dwelling units	- 50 low-rise apartments
		- 50 duplexes
		- 200 single-family
Retail:	160 KSF	
Target:	140 KSF	
Health Club:	20 KSF	

Using the land use flex mechanism identified in the Master Plan, which states that "Additional uses may be added to a sub-area permitted land use program; provided that a corresponding reduction in the authorized amount of another use is made to ensure that no new or substantially more severe environmental impacts (including traffic impacts) would result from the change," the Project sponsor has proposed the changes described above. This memorandum summarizes the changes in trip generation and its effects on the impact analysis presented in the EIR.

TRIP GENERATION

Table IV.H-4a in the EIR presents the trip generation for the Project as approved. The results of this table are presented in Table 1 and compared to the trip generation for the proposed land use. Tenant specific trip generation was used from the Target Developer Guide for this particular land use due to its unique trip generation. The rate used by Target is 17.5 percent higher than ITE's recommended "Free-Standing Discount Superstore" (which also has considerably higher generation than a typical "Shopping Center"). The remaining uses are consistent with those found in the Institute of Transportation Engineer's (ITE) *Trip Generation*.

As shown in **Table 1**, the new land use description would result in an additional 3,303 net new daily vehicle trips (+14.6 percent), 95 net new AM peak hour vehicle trips (+7.8 percent), and 340 net new PM peak hour vehicle trips (+16.9 percent). These additional trips were then distributed onto the roadway network consistent with the analysis presented in the EIR as discussed in the following section.

TRIP DISTRIBUTION AND ASSIGNMENT

The additional trips identified above were assigned to the roadway network based on the distribution presented in **Figure 1**, which is consistent to that which was analyzed in the EIR. This includes the addition of the Target store. The distribution resulted in the net new Project trips assigned to each intersection presented in **Figure 2**. Some of the turning movements identified show a reduction in Project trips. This is due to shifting of land uses within the Project site.

INTERSECTION ANALYSIS

The Project trips shown in **Figure 2** were added to the roadway network in the Synchro analysis. The resulting intersection delay and LOS for the mitigated scenarios are presented in **Table 2** and compared to the results presented in the EIR. As shown, the operations vary slightly, but LOS is generally maintained.

The Project sponsor has revised the Project description to configure the northern leg of the Tinker Avenue/5th Street intersection. The intersection would be configured with a southbound left-turn, a through, and a shared through-right turn. With this configuration, the intersection would operate at an acceptable LOS D during the cumulative AM and PM peak hours. This is a feasible configuration without additional construction as it is part of the Project site and there are two receiving lanes that already exist on the southern leg of 5th Street.

Intersections previously found to be significant and unavoidable would remain the same or increase slightly in delay.

All mitigations identified in the EIR are still applicable and would mitigate the indicated impacts.

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CONCLUSION

As discussed above, the trip generation calculation for the new Project description resulted in an approximate 15 percent increase in traffic generation over the approved land use plan. However, the increase in vehicle trips associated with the revised Project description did not cause any new significant impacts based on the significance criteria identified in the EIR. Furthermore, the mitigations previously identified are still applicable to the impacts that do occur. Reorganization of the land-uses on-site will require a detailed analysis of the on-site intersections to determine the appropriate lane configurations and traffic control, but this level of detail was not previously presented in the EIR and will be incorporated into a circulation study as a part of the Design Review process.

If you have any questions, please feel free to contact Ben Larson at (415) 348-0300.

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TABLE 1
VEHICLE TRIP GENERATION FOR PROPOSED PROJECT (EIR VERSUS PROPOSED)

Land Use/ITE Code	Size (ksf/du)	Trip Rates							Weekday Daily	Weekday AM Peak Hour			Weekday PM Peak Hour		
		Daily	AM Peak Hour	% in	% out	PM Peak Hour	% in	% out		Total	In	Out	Total	In	Out
EIR APPROVED															
Single Family Detached (*LU 210*)	200	9.57	0.75	25	75	1.01	63	37	1,914	150	38	113	202	127	75
Low-Rise Apartments (*LU 221*)	50	6.59	0.46	21	79	0.58	65	35	330	23	5	18	29	19	10
Duplexes [1]	50	8	0.64	20	80	0.8	70	30	400	32	6	26	40	28	12
Shopping Center (*LU 820*)	317.5	*EQ=EXP(0.65*LN (A29)+5.83)*	*EQ=EXP(0.6*LN (A29)+2.29)*	61	39	*EQ=EXP(0.66*LN (A29)+3.4)*	48	52	14,390	313	191	122	1,342	644	698
Fast Food w/ Drive Thru (*LU 934*)	2.5	496.12	53.11	51	49	34.64	52	48	1,240	133	68	65	87	45	42
Office (*LU 710*)	400.0	11.01	1.55	88	12	1.49	17	83	4,404	620	546	74	596	101	495
TOTAL (Weekday)									**22,678**	**1,271**	**853**	**418**	**2,296**	**965**	**1,331**
Internal trips AM	*4.0%*									*-51*	*-34*	*-17*			
Internal trips PM	*12.5%*												*-287*	*-121*	*-166*
GRAND TOTAL (Weekday)										**1,220**	**819**	**401**	**2,009**	**844**	**1,165**
PROPOSED															
Single Family Detached (*LU 210*)	200	9.57	0.75	25	75	1.01	63	37	1,914	150	38	113	202	127	75
Low-Rise Apartments (*LU 221*)	50	6.59	0.46	21	79	0.58	65	35	330	23	5	18	29	19	10
Duplexes [1]	50	8	0.64	20	80	0.8	70	30	400	32	6	26	40	28	12
Health Club *(LU 492)*	20	32.93	1.21	42	58	4.05	51	49	659	24	10	14	81	41	40

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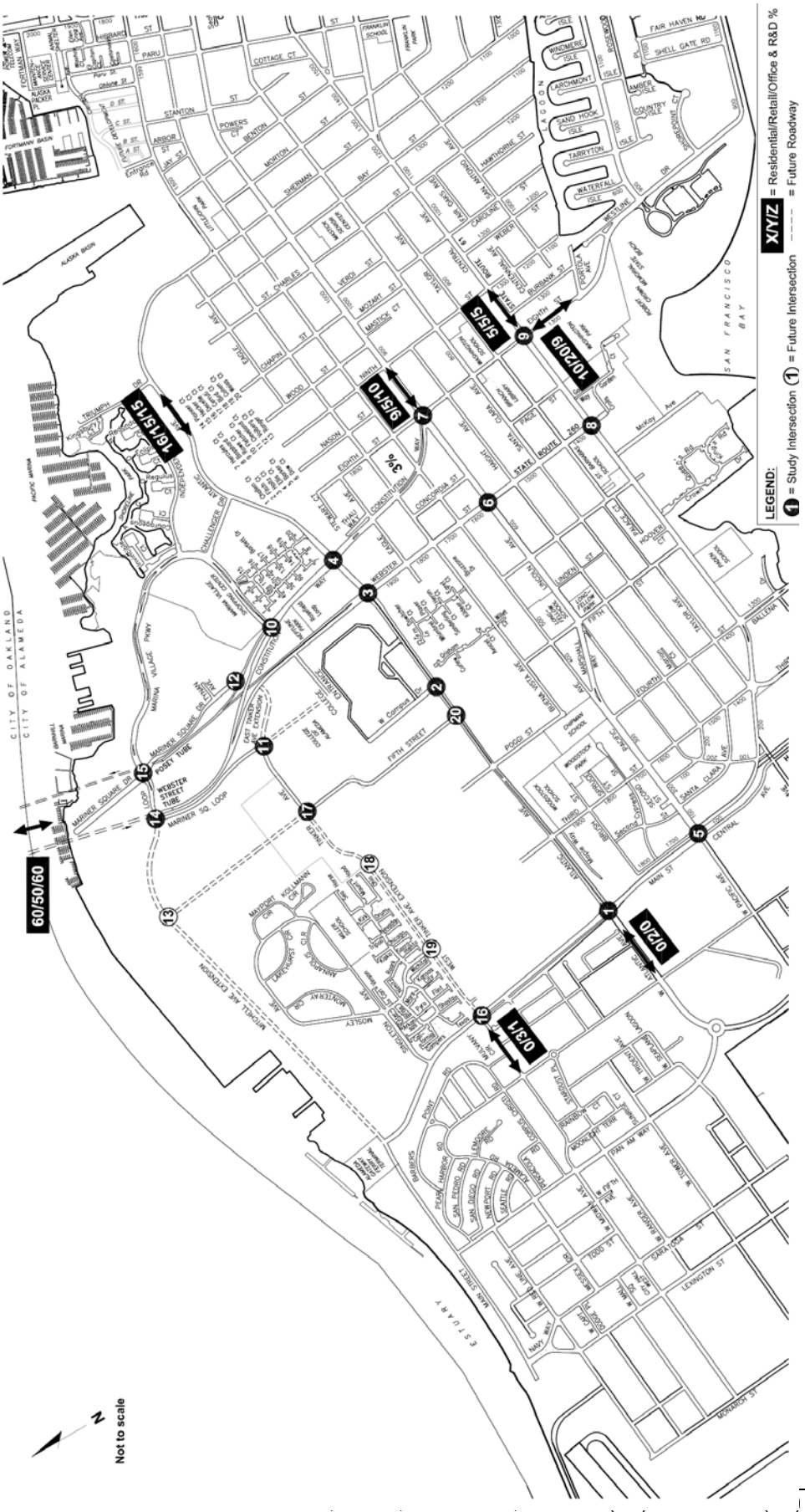
Shopping Center (*LU 820*)	160	*EQ=EXP(0.65*LN (A29)+5.83)*	*EQ=EXP(0.6*LN (A29)+2.29)*	61	39	*EQ=EXP(0.66*LN (A29)+3.4)*	48	52	10,625	246	150	96	979	470	509
Target [2]	140	*EQ=EXP(1.35*LN (B12)+2.11)*	1.67	67	33	4.61	49	51	7,650	275	184	91	758	372	387
Office (*LU 710*)	400.0	11.01	1.55	88	12	1.49	17	83	4,404	620	546	74	596	101	495
TOTAL (Weekday)									**25,981**	**1,370**	**938**	**431**	**2,685**	**1,158**	**1,527**
Internal trips AM	*4.0%*									*-55*	*-38*	*-17*			
Internal trips PM	*12.5%*												*-336*	*-145*	*-191*
GRAND TOTAL (Weekday)										**1,315**	**900**	**414**	**2,349**	**1,013**	**1,336**
NET DIFFERENCE															
Total Increase in Auto Trips									**3,303**	**95**	**81**	**13**	**340**	**169**	**171**

Source: Fehr & Peers, 2011

1 Multiple Dwelling Unit Rate from San Diego Trip Generation, May 2003 for AM and PM Peak and Weekend from ITE Land Use code 231.

2 Free-Standing Discount Superstore ITE equations used then factored to reach daily volumes identified by Target Developer Guide, Edition 2.5



ALAMEDA LANDING PROJECT TRIP DISTRIBUTION
FIGURE 1

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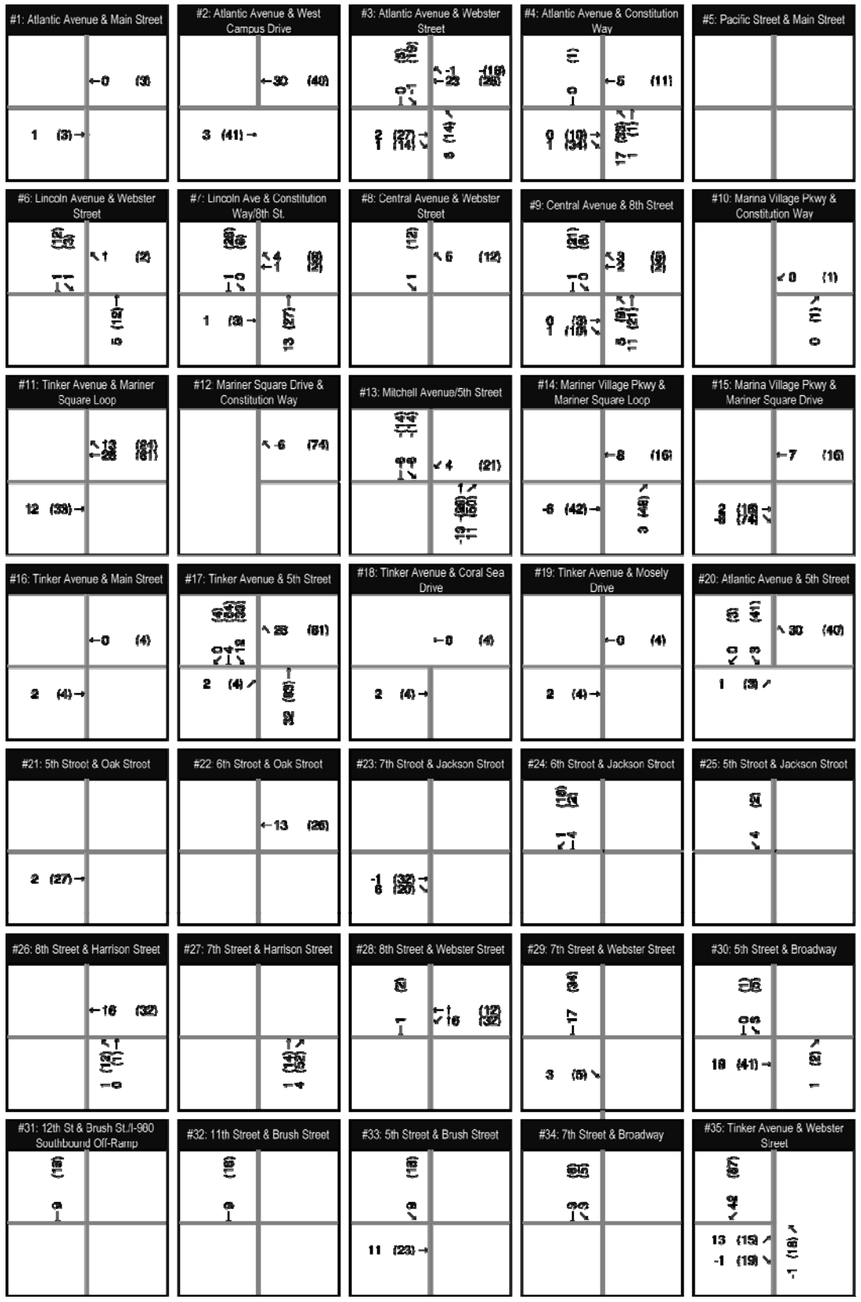

Approved Project Trips Subtracted from Proposed Project Trips
KEY: XX (YY) = AM (PM) Peak Hour Traffic Volumes

PROJECT TRIP ADJUSTMENT (NET NEW TRIPS COMPARED TO APPROVED PROJECT)
FIGURE 2

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Approved Project 2010 Trips
KEY: XX (YY) = AM (PM) Peak Hour Traffic Volumes

APPROVED PROJECT 2010 TRIPS
FIGURE 3

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Approved Project 2025 Trips
KEY: XX (YY) = AM (PM) Peak Hour Traffic Volumes

APPROVED PROJECT 2025 TRIPS
FIGURE 4

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TABLE 2
AM AND PM PEAK HOUR MITIGATED INTERSECTION LEVEL OF SERVICE (LOS) AND DELAY (seconds/vehicle) COMPARISON

No.	Intersection	Traffic Control	2010 AM Peak Hour						2010 PM Peak Hour						2025 AM Peak Hour				2025 PM Peak Hour			
			Baseline		With Old Project Mitigated		With New Project Mitigated		Baseline		With Old Project Mitigated		With New Project Mitigated		With Old Project Mitigated		With New Project Mitigated		With Old Project Mitigated		With New Project Mitigated	
			LOS	Delay	LOS	Delay	LOS	Delay	LOS	Delay	LOS	Delay	LOS	Delay	LOS	Delay	LOS	Delay	LOS	Delay	LOS	Delay
#1	Atlantic Avenue & Main Street	Signal	B	12.0	B	11.8	B	11.8	B	12.4	B	12.4	B	12.4	D	40.1	D	40.1	C	26.7	C	26.8
#2	Atlantic Avenue & West Campus Drive	Signal	A	6.2	A	6.2	A	6.2	A	5.9	A	5.8	A	5.7	A	8.1	A	8.3	A	6.9	A	7.2
#3	Atlantic Avenue & Webster Street	Signal	C	30.9	D	36.6	D	37.8	C	27.9	C	25.2	C	27.0	**E**	**58.8**	**E**	**60.1**	**F**	**157.8**	**F**	**161.6**
#4	Atlantic Avenue & Constitution Way	Signal	C	22.3	C	28.0	C	29.8	C	22.2	C	26.2	C	27.0	**E**	**77.6**	**E**	**78.4**	**F**	**223.0**	**F**	**241.7**
#5	Pacific Street & Main Street	Signal	B	16.1	B	16.1	B	16.1	B	15.1	B	15.1	B	15.1	B	19.6	B	19.6	C	25.5	C	25.5
#6	Lincoln Avenue & Webster Street	Signal	B	14.7	B	15.0	B	15.1	B	16.5	B	17.9	B	18.6	C	21.8	C	22.0	B	19.3	B	20.0
#7	Lincoln Ave & Constitution Way/8th St.	Signal	B	16.4	B	19.4	B	19.6	B	19.1	C	24.2	C	27.9	C	34.9	D	36.3	**F**	**146.6**	**F**	**154.6**
#8	Central Avenue & Webster Street	Signal	B	16.4	B	16.7	B	16.7	B	18.4	B	18.9	B	19.1	D	40.3	D	40.7	C	30.1	C	30.9
#9	Central Avenue & 8th Street	Signal	D	35.4	D	45.7	47.5	D	D	48.5	C	30.1	C	31.1	**F**	**184.4**	**F**	**187.7**	**F**	**282.6**	**F**	**294.3**
#10	Marina Village Pkwy & Constitution Way	Signal	D	40.0	D	51.6	D	51.6	C	29.1	C	31.8	C	31.9	D	50.7	D	50.7	**E**	**73.8**	**E**	**73.8**
#11	Tinker Avenue & Mariner Square Loop	SSSC	C	17.1	B [S]	17.9 [S]	B [S]	17.9 [S]	B	13.6	B [s]	19.1 [s]	B [s]	19.3 [s]	B [s]	19.2 [s]	B [s]	19.4 [s]	D [s]	37.2 [s]	D	40.4
#12	Mariner Square Drive & Constitution Way	SSSC	F	>70	C [S]	25.9 [S]	C [S]	24.7 [S]	**F**	**>70**	C [S]	34.8 [S]	D [s]	48.6 [s]	**F**	**>100**	**F**	**>100**	**F**	**>100**	**F**	**>100**
#13	Mitchell Avenue/5th Street	SSSC	N/A [a]	N/A [a]	B [s]	19.8 [s]	C [S]	20.6 [S]	N/A [a]	N/A [a]	B [s]	17.6 [s]	B [s]	17.9 [s]	B [s]	14.4 [s]	B [s]	14.8 [s]	B [s]	14.3 [s]	B [s]	15.2 [s]
#14	Marina Village Pkwy & Mariner Square Loop	SSSC	B	11.3	B [s]	18.5 [s]	B [s]	18.6 [s]	B	12.8	B [s]	12.3 [s]	B [s]	12.6 [s]	C [s]	23.4 [s]	C [s]	23.8 [s]	C [s]	34.1 [s]	D [s]	43.3 [s]
#15	Marina Village Pkwy & Mariner Square Drive	AWSC	A	8.1	A	9.2	A	9.2	A	8.8	B [C]	11.2 [C]	C [C]	18.0 [C]	A [s]	7.0 [s]	A [s]	6.9 [s]	B [s]	19.5 [s]	C [s]	30.0 [s]
#16	Tinker Avenue & Main Street	Signal	C	28.7	C	32.9	C	32.7	C	27.0	C	27.2	C	27.1	D	39.5	D	39.4	D	50.2	D	50.5
#17	Tinker Avenue & 5th Street	SSSC	B	10.9	B [s]	13.4 [s]	B [s]	14.3 [s]	B	11.8	B [s]	10.8 [s]	B [s]	11.7 [s]	B [s]	18.6 [s]	B [s]	18.8 [s]	D [s]	54.0 [s]	D [s,d]	38.0 [s,d]
#18	Tinker Avenue & Coral Sea Drive	SSSC	B	11.0	B	12.5	B	12.5	B	11.2	B	13.9	B	14.0	C [s]	21.1 [s]	C [s]	21.1 [s]	B [s]	13.6 [s]	B [s]	13.7 [s]
#19	Tinker Avenue & Mosely Drive	SSSC	B	13.7	C	16.1	C	16.2	B	13.6	C	18.1	C	18.2	C [s]	20.2 [s]	C [s]	20.2 [s]	B [s]	17.3 [s]	B [s]	17.5 [s]
#20	Atlantic Avenue & 5th Street	Signal	A	4.2	A	5.9	A	6.7	A	4.9	A	8.1	A	8.8	D	52.0	D	54.5	D	45.6	D	54.6
#21	5th Street & Oak Street	Signal	B	11.9	B	11.8	B	11.8	B	12.8	B	12.8	B	12.9	B	13.7	B	13.7	D	40.3	D	40.4
#22	6th Street & Oak Street	Signal	B	16.9	B	15.6	B	15.6	B	13.6	B	13.2	B	13.1	B	12.3	B	12.3	B	18.4	B	18.3
#23	7th Street & Jackson Street	Signal	B	10.5	B	13.5	B	13.8	B	10.7	B	13.6	B	14.2	**E**	**69.8**	**E**	**70.7**	**F**	**104.3**	**F**	**109.2**
#24	6th Street & Jackson Street	Signal	C	* [b]	D	35.7	D	36.0	E	* [b]	B	12.6	B	13.6	**F**	**105.8**	**F**	**105.9**	**F**	**114.2**	**F**	**117.5**
#25	5th Street & Jackson Street	Signal	B	10.9	B	10.9	B	10.9	B	10.1	B	10.1	B	10.1	B	10.8	B	10.8	B	10.8	B	10.8
#26	8th Street & Harrison Street	Signal	A	9.5	A	9.8	A	9.8	B	11.7	B	11.9	B	12.0	B	11.3	B	11.4	B	13.5	B	13.6
#27	7th Street & Harrison Street	Signal	A	6.7	A	6.7	A	6.7	A	5.6	A	5.9	A	6.0	A	9.1	A	9.1	**E**	**65.8**	**E**	**71.2**
#28	8th Street & Webster Street	Signal	B	16.3	B	18.0	B	18.1	E	* [b]	B	17.4	B	17.5	B	17.9	B	18.0	B	19.1	B	19.2
#29	7th Street & Webster Street	Signal	A	9.6	B	10.2	B	10.2	B	12.0	B	12.3	B	12.5	B	12.5	B	12.7	B	15.0	B	15.3
#30	5th Street & Broadway	Signal	C	31.8	D	50.8	D	53.2	**F**	**174.4**	**F**	**186.1**	**F**	**192.7**	**E**	**74.1**	**E**	**73.9**	**F**	**237.7**	**F**	**246.3**
#31	12th St & Brush St./I-980 Southbound Off-Ramp	Signal	C	31.8	D	35.0	D	35.3	C	27.2	C	27.5	C	27.7	**F**	**153.6**	**F**	**154.6**	D	37.0	D	37.4
#32	11th Street & Brush Street	Signal	A	4.8	A	4.8	A	4.8	A	7.8	A	7.8	A	7.9	A	4.0	B	12.5	B	11.3	B	11.4
#33	5th Street & Brush Street	Signal	C	31.5	C	25.9	C	25.9	C	22.8	C	23.1	C	23.3	C	20.8	C	26.2	C	26.6	C	26.8
#34	7th Street & Broadway	Signal	B	13.8	B	14.0	B	14.0	B	16.7	B	17.4	B	17.5	B	12.8	B	12.9	B	16.2	B	16.4
#35	Tinker Avenue & Webster Street	Signal	-	-	A	9.7	A	9.7	-	-	A	9.2	A	9.2	C	21.4	C	21.7	D	41.3	D	41.4

Notes: **BOLD =** unacceptable operations/significant impact; [s] = signalized as mitigation
a N/A = intersection does not exist under existing conditions
b See text on page IV.H 12 of the EIR about how field observations show worse LOS than calculated LOS under existing conditions.
c intersection lane configuration reduced in analysis than what exists due to analysis method limitations
d includes new configuration for southbound direction: left-turn lane, through lane, shared through-right lane

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APPENDIX

- 2010 AM Peak Hour Approved Project
- 2010 AM Peak Hour Proposed Project
- 2010 PM Peak Hour Approved Project
- 2010 PM Peak Hour Proposed Project

- 2025 AM Peak Hour Approved Project
- 2025 AM Peak Hour Proposed Project
- 2025 PM Peak Hour Approved Project
- 2025 PM Peak Hour Proposed Project

Attachment B

Alameda Landing Urban Decay Analysis Summary of Findings

ESA

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Urban Decay Analysis
Summary of Findings

Prepared for:

Catellus

Prepared by:

ALH | ECON
ALH Urban & Regional Economics

November 2011

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November 30, 2011

Steve Buster
Catellus
66 Franklin Street, Suite 200
Oakland, CA 94607

Re: Alameda Landing Urban Decay Analysis

Dear Mr. Buster:

ALH Urban & Regional Economics (ALH Economics) is pleased to present this report regarding the urban decay analysis of the planned retail component of Alameda Landing in the City of Alameda, a planned 285,000 square feet retail shopping center. The purpose of this report is to provide an assessment of the potential for the project to cause or contribute to urban decay.

It has been a pleasure working with you on this project. Please let me know if you have any questions or concerns.

Sincerely,

Amy L. Herman, AICP
Principal

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I. EXECUTIVE SUMMARY

INTRODUCTION

The purpose of this study is to assess the economic impact and potential for urban decay resulting from the development of the Alameda Landing Retail Shopping Center (referred to as "Project") in Alameda, California. The development site is located west of Mariner Square Loop, between Stargell and Mitchell avenues in Alameda. The site is immediately adjacent to the southern portal of the Webster Street tube connecting Alameda to the City of Oakland.

The 285,000-square-foot development would be anchored by a 140,000-square-foot Target store. Specific additional retail tenants have not yet been identified, but current programming efforts suggest they could include a 30,000-square-foot grocer and a 35,000-square-foot building materials store. Other prospective tenants could include apparel and accessories stores, specialty retail stores, restaurants, furniture and home furnishings stores, specialty food stores, and service retail.

The Project is one component of a larger mixed-use waterfront development project that will include residential and office uses. The Target store is anticipated to open during fall of 2013. Other retailers may locate and open at the center later, such as during 2014 or 2015.

This study estimates the potential impacts of the Project's tenants on existing retailers in the Project's market area and other potentially affected areas, primarily in the form of diverted sales from existing retailers. The study estimates the extent to which the opening of the Project and other cumulative retail projects may or may not contribute to urban decay in the market area pursuant to potential store closures attributable to existing retailer sales diversions.

SUMMARY OF FINDINGS

Project Sales

ALH Economics estimates that stabilized Project sales will total $92.6 million in 2011 dollars. Of this amount, 90% is estimated to be generated by residents of the Project's market area, equivalent to $83.4 million in sales. The Project's market area is defined as the City of Alameda plus a narrow band of Oakland, generally defined as east of Highway 980, south of West Grand Avenue and other portions of Oakland west of but not adjacent to Interstate 580, and north of a portion of Fruitvale Avenue and a portion of High Street.

By category of retail sales, taking into account the type of stores a general merchandise retailer like Target competes with, the Project's estimated sales generated by market area residents comprise the following:

- $20.4 million in food & beverage store sales;
- $17.1 million in other retail sales;
- $16.9 million in general merchandise sales;
- $10.3 million in clothing & clothing accessories;
- $8.7 million in building materials & garden equipment sales;

- $6.2 million in home furnishings & appliances sales; and
- $3.7 million in food services and drinking places (restaurants).

The other retail category is a broad category that includes a wide range of goods, such as office supplies, books, pet supplies, jewelry, and sporting goods.

Stabilized sales are not expected to occur the first year of store operations, but rather the second or third year, which is typical of new retail operations. The longer it takes for the Center to stabilize sales, the less impact there will be on local retailers, due to the effects of new demand. To be conservative, this analysis assumes stabilized sales are achieved in 2011. Accordingly, all dollar figures unless otherwise noted are presented in 2011 dollars.

Project Absorption of Retail Sales Leakage

The Project's market area is estimated to have a $1.3 billion sales base in 2011, comprised of Alameda sales and a portion of Oakland. Despite this high level of sales, a substantial amount of demand generated by market area residents "leaks" from the market area, meaning that sufficient retail shopping opportunities are not available in the market area to fully capture demand generated by market area residents. This is the case for the market area as a whole, but even more so for the City of Alameda. In Alameda almost all retail categories experience leakage, with the exception of food and beverage sales (i.e., grocery sales). More than 40% of retail demand generated by Alameda residents is estimated to leak to other communities. The market area also has a high degree of leakage, comprising 23.4% of the resident demand, but not in as many retail categories as Alameda.

The enhanced shopping opportunities provided by Alameda Landing will serve to help recapture existing retail leakage. The amount of recaptured leakage will depend upon the nature of the Project's retail opportunities and the complexity of the retail purchase. This study estimates that all of the Project's home furnishings & appliances, building materials & garden equipment, general merchandise, and restaurant sales will be accounted for through recaptured leakage, either from the market area as a whole or just from Alameda residents. This recapture will account for an estimated $35.5 million of Project sales. Even after the Project's recapture of these sales a great deal of leakage in these categories will persist, with residents still needing to make purchases in these categories outside the market area to meet their needs.

Two other categories of Project sales with noted leakage have the potential for some recapture. These categories include the Project's clothing and other retail sales. Consumers purchase apparel at a wide variety of retailers, meeting the needs of many family members and for a range of purposes. Given the amount of estimated leakage, the study assumes that only a portion of the Project's clothing sales will constitute recaptured leakage, with consumers continuing to make clothing purchases outside the market area to meet a wide variety of needs. The leakage in the Project's other retail sales category is low. Accordingly, only a portion of this retail leakage is assumed to be recaptured. Together, the recaptured leakage in these two categories will account for another estimated $7.9 million in Project sales.

In total, the analysis assumes that $43.4 million in Project sales will be achieved through recaptured sales leakage. While this recaptured sales leakage amount translates into new Project

and market area sales, the constituent recaptured sales will still occur to the detriment of other existing retailers. It is difficult to identify which existing retailers outside the market area may experience sales reductions as a result of the Project's recaptured leakage. However, one likely such retailer is Target itself. Target is a very popular retailer, such that market area residents likely already spend a certain portion of their retail dollars at nearby Target stores, including the more established store in San Leandro and the newer store in Emeryville. Much of the recaptured sales leakage is likely to occur to the detriment of these two stores. Therefore, a significant portion of the identified $43.4 million in recaptured leakage will comprise reduced sales at the San Leandro and Emeryville Target stores, neither of which ALH Economics anticipates will close as a result of Target's decision to locate in Alameda. The other stores outside the market area likely to lose sales as a result of the Project's recaptured leakage are located over a wide area, depending on the nature of the good, and probably include stores in other Oakland locations, San Leandro, Emeryville, Berkeley, and even San Francisco. This is such a widely dispersed area that it is unlikely that any particular store outside the market area would lose sufficient sales directly attributable to the Project resulting in store closure, and thus would not lead to urban decay in this more generalized area.

Sales Impacts

After consideration of out of market area sales and recaptured sales leakage, Alameda Landing has the potential to divert $40.0 million in sales from existing market area retailers. This sales volume includes all of the Project's anticipated $20.4 million in food sales generated by market area residents as well as $5.2 million in clothing sales and $14.4 million in other retail sales.

Grocery Stores. The City of Alameda and the market area are both characterized by food sales attraction. Consequently, the analysis conservatively assumes that any Project food sales generated by market area residents will occur to the detriment of existing food and beverage retailers in the market area. In similar fashion, the portion of clothing and other retail sales generated by market area residents not accounted for through recaptured leakage are also conservatively assumed to be diverted away from existing market area retailers.

The amount of food sales impacts comprises 5.4% of the estimated market area retail sales base. This is a relatively low amount, and if spread across the range of market area food retailers is unlikely to be sufficiently strong enough to cause any particular store to close. This is especially the case given analysis of market area food store performance, which suggests that almost all the food store retailers in Alameda are exceeding industry standard sales volumes. An exception to this above average sales performance is the Safeway on Bay Farm Island and one or two of the city's smaller markets. In addition, the Lucky store nearby in Oakland at Fruitvale Station is also performing below this average level as is the more discount-oriented Smart & Final in Oakland.

Across the markets in Alameda and the Oakland portion of the market area, the average store achieves strong sales performance, with average performance at or above industry standard. This includes the grocery store in closest proximity to Alameda Landing, the Lucky store at Marina Village, as well as the more distant Nob Hill grocery at Bridgeside Shopping Center. While the Marina Village Lucky store is close to Alameda Landing, it is anticipated to be able to withstand the competitive influence of a new grocery store, in large part because that area of the Island is not well-served by grocery stores, future growth is anticipated in this area, and because the Alameda Landing grocery store is more likely to achieve sales from residents in the Oakland portion of the

market area than the Alameda Lucky store given that there is already a Lucky store nearby in Oakland proximate to the Oakland market area residents. In addition, as a mid-sized grocery store, the Alameda Landing store is likely to be more niche-oriented, thereby complementing or appealing to a different customer mix than a more conventional Lucky store. In conclusion, because of the strong sales of most market area grocery stores, especially those most likely to be competitive with a new mid-sized grocery store with a likely specialized niche, ALH Economics does not anticipate that any loss of store sales attributable to the success of the Project's planned food sales will impact any existing food store to the extent to cause store closure.

Clothing and Other Retail Stores. The clothing and other retail sales impacts collectively total $19.5 million in sales. The identified sales are equivalent to 8.6% of the market area sales base in clothing stores and 6.9% the sales base in other retail. If these sales impacts are concentrated among specific market area retailers, it is possible they might incur a high enough loss in sales to impair operations and ultimately close. This is less likely to occur in the other retail category because these sales impacts are distributed among a wide range of retailers, such as office supplies, pet supply, sporting goods, jewelry, and bookstores; with service and product changes such retailers have been successful in repositioning their stores and increasing sales in other product lines. Therefore, the analysis suggests that some clothing stores may be most susceptible to sales losses and declines sufficient to induce some store closures. However, the $5.2 million in clothing store impacts is equivalent to less than 13,000 square feet of retail space. This is a very small increment of space, comprising less than 0.5% of the market area's retail inventory, and thus is not anticipated to pose a substantial hardship to the commercial marketplace. Moreover, even with development of Alameda Landing the City of Alameda and the market area as a whole will continue to exhibit retail sales leakage in numerous retail categories. Therefore, any retail vacancies that might occur due to negative sales impacts of Alameda Landing would have the strong potential to be backfilled by new stores positioned to satisfy unmet retail shopping needs.

Webster Street Impacts. While not a retail sales category, the Webster Street shopping area radiates out from the Alameda Landing Project site, and is part of the West Alameda Business District, which also includes businesses on other area streets such as Central Avenue, Main Street, Buena Vista Avenue, and Santa Clara Avenue, among others. The businesses in this area are primarily small, service-oriented businesses, representing a wide range of businesses. The strong service orientation and niche retailing in this area suggests limited competitive overlap with the planned tenant programming at the Alameda Landing Project. Restaurants might comprise the greatest competitive influence; however, the market area's strong leakage in this retail category suggests sufficient demand will exist to support the Project's restaurant spaces as well as the many restaurants on and around Webster Street. Furthermore, the Project is likely to attract national or regional chain restaurants, whereas the restaurants in the Webster Street area are largely independent restaurants, with a clientele seeking a different kind of dining experience. Finally, it is also possible that Alameda Landing will help serve as a catalyst for additional shopping on Webster Street, as shoppers become more familiar with the area and the wide array of available services and shops.

Offsetting Effects of Future Growth

The Target store is assumed to be completed during fall 2013. Other retailers may locate and open at the center later, such as during 2014 or 2015. Thus, prior to the Project opening there will

be the potential for new retail demand to be generated from within the City of Alameda and the market area as a whole pursuant to population growth.

There are several residential developments planned in Alameda, including the residential component of Alameda Landing. Projects that could be developed in the near term have the potential to account for 713 new residential units in Alameda, although not all of the projects have identified opening or completion date expectations. In addition, Alameda Point, planned for a portion of the former Naval Air Station in Alameda, may have some long-term residential development potential for at least another 1,425 units.

These future market area households, as well as other growth potential in the Oakland portion of the market area, which may total thousands of units especially in the Oak to Ninth Mixed Use District, will create additional retail demand in Alameda and throughout the region, helping to offset any negative sales impacts induced by the Alameda Landing retail project. To be conservative, the report does not quantify this potential demand, but new market area households are estimated, on average, to generate $23,500 in annual retail demand. Of relevance to the Alameda Landing Project, the largest component of annual household retail demand is approximately $4,500 for food and beverage stores (figures would be lower for households in affordable housing units). Because of the propensity for consumers to purchase groceries relatively close to home, the majority of this per household expenditure would likely be captured within the market area. Thus, future household growth will help buoy demand at Alameda Landing as well as sales at existing grocery stores that may experience a sales decline because of the Alameda Landing grocery store.

The grocery stores closest to the planned residential developments will likely benefit the most from the grocery component of demand, but other stores throughout Alameda and the Oakland portion of the market area will benefit from the retail demand generated in a range of other retail categories. Not all demand in these categories will be captured by market area retailers, as demonstrated by the strong market area leakage, but certainly a significant portion will have the potential to be retained to support for existing and planned retail development, such as Alameda Landing and other planned retail projects, discussed in the following chapter.

Cumulative Project Impacts

ALH Economics identified seven potential cumulative retail development projects in the market area and surrounding area of Oakland with the potential to be developed during the same approximate timeframe as Alameda Landing and thus contribute to additional market area sales impacts. Given assumptions about project size, sales, and degree of market area overlap with Alameda Landing, these seven projects are estimated to generate $27.6 million of sales assumed to be competitive with the Project and generated by residents within the Project's market area. Based on sales distributions and the potential for further absorption of existing leakage, these cumulative projects, in association with Alameda Landing, have the potential to increase the market area sales impact from $40.0 million for just the Project to $57.6 million. The incremental sales impacts are in the food, clothing, restaurant, and other retail categories. As with the Project impacts, new household growth will to some extent help offset the incremental cumulative project impacts. The incremental sales impact figures in the food category are low enough that it is unlikely any food stores would experience sales losses sufficient to prompt store closure. Further, if existing stores close because of cumulative project sales impacts there are many other market area opportunities for new stores to

open and help satisfy unmet retail demand due to continued retail sales leakage in Alameda and the market area.

URBAN DECAY DETERMINATION

Definition of Urban Decay

For the purpose of this analysis, urban decay is defined as, among other characteristics, visible symptoms of physical deterioration that invite vandalism, loitering, and graffiti that is caused by a downward spiral of business closures and long term vacancies. This physical deterioration to properties or structures is so prevalent, substantial, and lasting for a significant period of time that it impairs the proper utilization of the properties and structures, and the health, safety, and welfare of the surrounding community. The manifestations of urban decay include such visible conditions as plywood-boarded doors and windows, parked trucks and long term unauthorized use of the properties and parking lots, extensive gang and other graffiti and offensive words painted on buildings, dumping of refuse on site, overturned dumpsters, broken parking barriers, broken glass littering the site, dead trees and shrubbery together with weeds, lack of building maintenance, homeless encampments, and unsightly and dilapidated fencing.

Retail Market Characteristics

Both Alameda and the City of Oakland have historically maintained relatively healthy retail market sectors. As of third quarter 2011, Alameda had an overall retail vacancy rate of 6.5%. This rate is better than noted during the height of the recession in 2009, when vacancy peaked at 8.2%, and only slightly higher than the rates noted during 2006, when retail conditions and consumer spending patterns were considered among their strongest. Alameda's retail vacancy rate during this time vacillated between 4.6% and 5.2%. In general, retail markets are deemed most healthy when there is some increment of vacancy, at least 5.0%, which allows for market fluidity and growth opportunities for existing retailers. Thus, the current Alameda retail vacancy rate of 6.5% is a reasonable vacancy rate and indicative of a relatively strong market. In like manner, data for Oakland indicate that Oakland is generally characterized by a strong retail market, with third quarter 2011 vacancy at 3.8%, and a peak over the past 5.5 years of 4.9% earlier in 2011. These figures suggest the retail market in Oakland as a whole is even stronger than the retail market in Alameda.

For the one-year period October 2010 to October 2011 there were at least 19 retail leases executed in the City of Alameda. These 19 leases accounted for absorption of 35,300 square feet of retail space in Alameda, averaging 1,860 square feet each. While most of these lease transactions are for a relatively small increment of space, they are indicative of strong interest in the Alameda retail market. Similar information regarding executed leases in the entire City of Oakland identified approximately 100 retail leases executed over the same one-year time frame.

As of October 2011 there are at least 30 retail vacancies in Alameda. Most of these vacancies are relatively small. The exception is two larger vacancies at South Shore Center, one of which is a former Border's bookstore, the closure of which was independent of any inherent issues with the Alameda retail market. Interviews with commercial real estate brokers active in the market area confirm that the retail market in Alameda is perceived as strong. Smaller retail vacancies do not stay vacant for long. Various broker comments indicate that smaller spaces between 500-800

square feet lease quickly, spaces over 2,000 square feet stay vacant for only about four months, and spaces under 5,000 square feet stay vacant about three to six months.

Urban Decay Conclusion

ALH Economics focused on determining whether or not physical deterioration would likely result from the opening of the Project and other cumulative retail developments in reaching a conclusion about urban decay. The conclusion is based on consideration of current market conditions, findings regarding diverted sales, the backfilling potential of existing store spaces, and regulatory controls. Highlights of these findings are as follows:

- ***Current Market Conditions***: Field research, market research, and broker interviews indicated that retail market conditions are strong in Alameda. Both Alameda and the Oakland portion of the market area have low retail vacancy rates, indicating that long-term retail vacancy is not an issue in the market area. Existing retail vacancies appear well-maintained, and retail brokers indicate that vacancies in Alameda are typically absorbed within a reasonable time period. There are no visible signs of urban decay or deterioration among the market area's retail nodes and corridors.

- ***Diverted Sales and Additional Retail Leakage***: After recapture of existing market area leakage and new demand generated by household growth, there is the potential for a few small retail operations to close in the market area. However, even with development of the Project and other cumulative projects, Alameda and the market area are anticipated to be characterized by continued retail leakage in several retail categories. This remaining leakage provides an opportunity for other retailers to enter the marketplace focused on satisfying unmet retail demand.

- ***Backfilling Potential:*** ALH Economics will seek more information about the market area's backfilling potential prior to the release of the more in-depth report. However, preliminary research findings indicates that available vacancies for smaller retail spaces are filled within a reasonable time, typically no more than six months. While more information is being sought regarding larger retail vacancies, it is unlikely that any vacancies that might result from development of the Project or cumulative projects will cause existing large retailers in Alameda or the market area to close, thus the backfilling experience of smaller retail spaces is more relevant to this analysis.

- ***Regulatory Controls:*** City ordinances, such as the City of Alameda Code of Ordinances Chapter 4-1 on Litter Control, Chapter 4-2 on Graffiti, Chapter 13-14 on Boarded Buildings and Vacant Parcels, Chapter 13-15 on Boarded Building and Vacant Parcel Monitoring Fee, and Chapter 23-4 on Weeds, Rubbish, and Rubbish Control, require property owners to maintain their properties so as not to create a nuisance by creating a condition that reduces property values and promotes blight and neighborhood deterioration. Enforcement of these ordinances can help prevent physical deterioration due to any long-term closures of retail spaces. If properties require nuisance abatement there are controls in place to provide this abatement. During fieldwork conducted in October, 2011 there were no visible signs of litter, graffiti, weeds, or rubbish associated with existing commercial nodes and corridors in Alameda. In addition, City of Alameda staff report that the City is aggressive

regarding graffiti remediation, that weed abatement occurs on a regular basis, and that private property owners tend to respond quickly when alerted to instances of graffiti or trash associated with their property. Thus, ALH Economics concludes that existing measures to maintain private commercial property in good condition in the City of Alameda are effective and will serve to preclude the potential for urban decay and deterioration in the event any existing retailers in the City of Alameda close following the operations of the Project and other cumulative retail projects.

Based upon these findings, ALH Economics concludes that the Alameda Landing Project and the identified cumulative projects will not cause or contribute to urban decay.

II. INTRODUCTION

STUDY BACKGROUND

Catellus is seeking to develop a 285,000-square-foot Retail Shopping Center in Alameda, California (the "Project"). The Project is one component of Catellus' planned Alameda Landing development, which is a waterfront development on the site of the former U.S. Navy's Fleet Industrial Supply Center in Alameda. Alameda Landing is also planned to include residential and office space. The retail portion of Alameda Landing will be located west of Mariner Square Loop, between Stargell and Mitchell avenues. The site is immediately adjacent to the southern portal of the Webster Street tube connecting Alameda to the City of Oakland.

Alameda Landing is planned to be anchored by a 140,000-square-foot Target store. This store will include some food sales as part of the product mix, but it is not planned to include a specialized food section comparable in size and scale to the food sections Target has been incorporating into many other new or existing Bay Area Target stores. Specific additional Project retail tenants have not yet been identified, but current programming efforts suggest additional tenants could include a 30,000-square-foot grocer and a 35,000-squre-foot building materials store. Other prospective tenants could include apparel and accessories stores, specialty retail stores, restaurants, furniture and home furnishings stores, specialty food stores, and service retail. It is anticipated that the Target store will open during fall of 2013. Other retailers may locate and open at the center later, such as during 2014 or 2015.

An Environmental Impact Report (EIR) for Alameda Landing was completed in 2000. At that time Alameda Landing's plans did not include retail development. In 2006 a supplemental EIR was prepared that accommodated 300,000 square feet of unspecified retail. Since then, Target has emerged as the anchor tenant for the Project, and environmental documents for many California projects with a strong retail component have begun to include an urban decay analysis, with the purpose of determining if the planned project will have the potential to cause or contribute to urban decay. This is the result of court cases involving the environmental process focused primarily on large scale retail development such as Walmart. As the planning process proceeds, Catellus seeks to have such a study conducted for Alameda Landing, to address all potential environmental considerations. A traffic study update is also being conducted.

ALH Urban & Regional Economics (ALH Economics) was retained to complete the Alameda Landing urban decay study. The report contained herein provides the research, analysis, and conclusions associated with this urban decay analysis. The field work upon which this study is based was completed in October 2011. Accordingly, ALH Economics assumes no responsibility for market events pertinent to the market area, more general environs, or the Project site occurring after that date.

STUDY TASKS

ALH Economics engaged in numerous tasks to complete this assignment. These tasks included the following:

- Identified the Project's market area, i.e., the area from which the majority of Project consumers are anticipated to originate;
- Conducted fieldwork to review the Project site and evaluate existing market conditions;
- Estimated the planned Project's sales;
- Estimated market area retail sales;
- Conducted retail sales leakage analyses for the Project's market area and the cities of Alameda and Oakland;
- Estimated demand generated by households added to the market area by the time the Project is developed;
- Estimated the Project's impacts on existing relevant retailers;
- Identified planned retail projects in the market area and other relevant areas;
- Assessed the cumulative impacts of planned retail projects in the market area and other relevant areas; and
- Assessed the extent to which opening of Alameda Landing's retail space and the cumulative projects may or may not contribute to urban decay.

The findings pertaining to these tasks are reviewed and summarized in this report, with analytical findings presented in the exhibits in Appendices A and B.

STUDY RESOURCES AND REPORT ORGANIZATION

Study Resources

Many resources were relied upon for this study. This included information provided by Catellus, the Planning Departments in the cities of Alameda and Oakland, and individuals engaged in commercial real estate familiar with the area's retail market. Detailed Alameda and Oakland retail market data were generated from Costar, a commercial real estate information company, and provided by CB Richard Ellis. LoopNet was also a resource for market-based information.

Additional study resources included Target, Inc.'s Annual 10-K Report on file with the SEC, the 2010 U.S. Census, the Association of Bay Area Governments, the California State Board of Equalization, Claritas, a national provider of economic and demographic data, and Neilson Trade Dimensions. Some retail sales data were provided by Retail MAXIM's *Alternative Retail Risk analysis for Alternative Capital, July 2011*. Inflationary adjustments were prepared based upon the U.S. Bureau of Labor Statistics' Consumer Price Index for all urban consumers in the Western U.S. Region. All sources are cited as relevant in the study exhibits.

Report Organization

This report includes eight chapters, as follows:

I. Executive Summary
II. Introduction
III. Projected Alameda Landing Sales
IV. Market Area Definition
V. Retail Sales Base Characterization
VI. Project Sales Impacts
VII. Cumulative Project Impacts
VIII. Urban Decay Determination

This report is subject to the appended Assumptions and General Limiting Conditions.

III. PROJECTED ALAMEDA LANDING SALES

A description of the planned Alameda Landing Shopping Center and ALH Economics' estimates of the total retail sales generated by the Project are presented below, including sales generated by retail category. This estimate is necessary to facilitate analysis of the Project's urban decay impacts.

ALAMEDA LANDING SHOPPING CENTER SHOPPING CENTER DESCRIPTION

The 285,000-square-foot Alameda Landing Shopping Center will be located west of Mariner Square Loop, between Stargell Avenue and Mitchell Avenue in Alameda. The site is immediately adjacent to the southern portal of the Webster Street tube connecting Alameda to the City of Oakland. Aside from the Target store, specific additional retail tenants have not yet been identified, but current programming efforts suggest additional tenants could include a 30,000-square-foot grocer and a 35,000-square-foot building materials store. Other prospective tenants could include apparel and accessories stores, specialty retail stores, restaurants, furniture and home furnishings stores, specialty food stores, and service retail.

Based upon current retail programming plans and tenant expectations, Catellus provided ALH Economics with a prospective breakdown of the retail space by type of retail tenant. The breakdown is summarized in Table 1, below.

Table 1
Alameda Landing Retail Shopping Center
Prospective Tenant Types and Associated Square Feet

Tenant Type	Retail Space (Sq. Ft.)	Percent
Target Store	140,000	49.1%
Building Materials	35,000	12.3%
Grocery	30,000	10.5%
Apparel & Accessories	18,000	6.3%
Accessories & Beauty Supplies	15,000	5.3%
Specialty Retail	15,000	5.3%
Restaurants	12,000	4.2%
Furniture & Home Furnishings	10,000	3.5%
Specialty Food	5,000	1.8%
Service Retail	5,000	1.8%
Total	285,000	100.0%

Note: Figures may not total due to rounding.
Sources: Catellus; and ALH Urban & Regional Economics.

The Target store will represent the bulk of the Project's retail space at 49.1% of the total. The next two tenant spaces, with 35,000 and 30,000 square feet, will collectively comprise an additional 22.8% of the total. The remaining tenants, including a small increment of service retail, will total the balance of the space, or 28.2%.

PROJECTED ALAMEDA LANDING SHOPPING CENTER STORES SALES

Approach

It is anticipated that the Target store will open during fall of 2013. Other Project retailers may locate and open later, such as during 2014. Since the Target comprises approximately one-half the Project's retail space, the study conservatively assumes 2014 will comprise the first full year of complete Project operations. To facilitate the study, however, the analysis is conducted assuming sales in year 2011 dollars. Stabilized sales are not expected to occur the first year of store operations, but rather the second or third year, which is typical of new retail operations. However, for simplicity, this analysis conservatively assumes stabilized sales are achieved during the first full year of operations.

Store sales projections were prepared differently by type of retail tenant. Two methods were employed, one for the Target store and one for all other retail tenants.

Target Store Sales. Sales projections for the proposed Target store are based on data provided in Target Corporation's 2010 Annual Report. The projections are based on the net sales of all Target stores divided by total Target store square footage. The resulting figure for 2010 was $282 per square foot (see Exhibit 1). This sales figure was converted to 2011 dollars by the consumer price index (CPI) for the western region, using an inflationary increase estimate of 2.36% from mid-year 2010 to mid-year 2011. The resulting figure is $288 per square foot (see Exhibit 1). The analysis therefore assumes the planned Target store will achieve sales of $288 per square foot.

All Other Retail Store Sales. In order to estimate the annual sales performance of the retail spaces for which specific retailers have not been identified, ALH Economics developed assumptions for each store type based on information available from Retail MAXIM's "*Alternative Retail Risk Analysis for Alternative Capital*," July, 2011. The Retail MAXIM publication provides average sales per square foot figures for many national retailers and aggregates the data by specific retail categories. Retail Maxim's figures were reported for 2010, which ALH Economics then adjusted to 2011 by inflation. While specific Alameda Landing retailers have not been identified, the retail categories provided by Catellus were matched to categories included in the Retail Maxim retail survey or retailers representative of the selected categories. The resulting sales figures range from $248 per square foot for specialty retail to $548 per square foot for grocery. All of the sales per square foot assumptions are presented in Exhibit 2.

Projected Alameda Landing Sales

Total Projected Store Sales The estimate of store and Project sales is documented in Exhibit 2. This estimate includes the projected Target sales and sales for all other prospective Project tenants. Sales are not projected for one increment of space, the 5,000 square feet allocated to service retail. These tenants are not anticipated to generate the type of sales that compete with traditional retailers, and thus are not typically considered of concern in an urban decay analysis. The total

Project sales in 2011 dollars is estimated at $92.6 million. This equates to $331 in average sales per square foot.

Projected Market Area Project Sales. Materials published by major industry organizations support that a retail store's trade area generally supplies 70% to 90% of the store's sales, while the remaining 10% to 30% of sales are attributed to consumers residing outside of the store's market area. In its Shopping Center Development Handbook, Third Edition, the Urban Land Institute (ULI) states the following:

> "A site generally has a primary and a secondary trade area, and it might have a tertiary area. The primary trade area should generally supply 70 to 80 percent of the sales generated by the site. These boundaries are set by geographical and psychological obstacles."[1]

ULI is a nonprofit research and education organization representing the entire spectrum of land use and real estate development disciplines. Among real estate, retail, and economic development professionals, this organization is considered a preeminent educational forum.

Information published by the International Council of Shopping Centers (ICSC), a trade association for the shopping center industry, also provides instructional information about market area definitions. In the recent publication Developing Successful Retail in Secondary & Rural Markets, the ICSC says:

> "A trade area is the geographic market that you will be offering to potential retailers as a consumer market. … Defining a retail trade area is an art and a science. In general, a trade area should reflect the geography from which 75-90 percent of retail sales are generated. Different stores can have different trade areas based on their individual drawing power and the competitive market context."[2]

Given Alameda Landing's proximity to Interstate 880, and the presence of many other major retailers along this corridor and other nearby cities, it is assumed that 10% of the Project's sales will be attributed to consumers residing outside of the Project's market area. This is a relatively low percentage of outside market area sales. Pursuant to this assumption the estimated Project sales originating from market area residents is $86.1 million (see Exhibit 2). This is the sales figure that is central to the urban decay analysis, as it comprises Project demand generated by market area residents. These are the sales that have the potential to be diverted away from other retailers, including retailers in the market area, and thus are the sales of interest in determining the risk of potential store closures that could ultimately lead to deterioration and decay.

Projected Sales by Category

Retail Sales Categories. It is necessary to allocate the Project's sales into appropriate retail categories to determine the potential impact on those specific categories. Subsequent analysis in this report compares Project sales to estimated market area sales in store categories used by

[1] Shopping Center Development Handbook, Third Edition, Urban Land Institute, 1999, page 44.
[2] Developing Successful Retail in Secondary & Rural Markets, International Council of Shopping Centers in cooperation with National Association of Counties, 2007, page 7.

governmental data sources, facilitating a comparison between retail supply and demand. Accordingly, the retail categories used to analyze the Project's sales match the categories used to estimate relevant market area sales.

The new sales generated by the Project will be spread across several merchandising categories due to the range of retailers anticipated. This study uses the retail categories as defined by the State of California Board of Equalization ("BOE"), which reports taxable sales by retail category for cities and counties. To maximize the use of these data it is important to use the BOE's defined retail sales categories for analytical purposes. Accordingly, ALH Economics' analysis is benchmarked to these categories and the sales reported by the BOE. These categories, as typically reported for cities, include the following:

- Motor Vehicle & Parts Dealers
- Home Furnishings & Appliances
- Building Materials & Garden Equipment
- Food & Beverage Stores
- Gasoline Stations
- Clothing & Clothing Accessories
- General Merchandise Stores
- Food Services & Drinking Places (Restaurants)
- "Other Retail" Stores[3]

Target Sales Distribution by Category. The Target's sales will be reported by the BOE in the General Merchandise category. However, the impact of these sales is more appropriately analyzed relative to all the retail categories that include stores competitive with or complementary to Target. This includes stores that are classified in the clothing, home furnishings & appliances, food & beverage stores, and other retail categories.

The estimated sales by category for the Target store are based upon detailed information from Target Corporation's 2010 10-K Report with adjustments made by ALH Economics. Based on Target's reported data, the sales distribution by category of retail tracked by Target, presented in Exhibit 3, is as follows:

- Household essentials, 24%
- Hardlines, 20%
- Apparel & accessories, 20%
- Home furnishings & décor, 19%
- Food & pet supplies, 17%

ALH Economics then converted these retail categories to the relevant BOE categories. In addition, for each Target-defined category, the analysis assumes that one-half the sales will be competitive with other general merchandise stores, and then one-half will be competitive with the type of store that best matches the Target category. This translation is presented in Exhibit 4, and results in the following estimated distribution of Target sales by BOE category:

[3] Other retail stores include a wide range of retailers, such as pet supplies, office supplies, sporting goods, book stores, florists, and gifts.

- General Merchandise, 46.5%
- Other Retail, 24%
- Clothing & Clothing Accessories, 10%
- Home Furnishings & Appliances, 9.5%
- Food & Beverage, 10.0%

This allocation includes an estimated 10% of sales for food, recognizing the food component now included in most Bay Area Target stores, often through store renovation. The store's estimated 24% allocation for other retail includes an anticipated store pharmacy. The basic BOE sales report for cities aggregates drug store sales into the other retail category, and thus these projected sales are included in this category, along with other key store merchandise, such as pet supplies, toys, jewelry, sporting goods, and office supplies.

Distributed Sales. Exhibit 4 allocates sales from Target and the representative store categories and sums the total sales of the Project by BOE retail category. This is for the 90% share of sales generated by market area residents, totaling $83.4 million. This distribution is summarized in Table 2, below.

Table 2
Estimated Alameda Landing Shopping Center Sales by Retail Category (1)
2011 Dollars

Retail Category	Estimated Retail Sales Volume	Percent
Motor Vehicles & Parts	$0	0.0%
Home Furnishings & Appliances	$6,158,829	7.4%
Building Materials & Garden Equip.	$8,673,651	10.4%
Food & Beverage Stores	$20,421,866	24.5%
Clothing & Clothing Accessories	$10,347,901	12.4%
General Merchandise	$16,888,450	20.3%
Food Services & Drinking Places	$3,747,681	4.5%
Other Retail Group	$17,146,137	20.5%
Total	$83,384,515	100.0%

(1) Based on California Board of Equalization retail categories.
Source: Exhibit 4; and ALH Urban & Regional Economics.

As noted above, the Project is estimated to capture $83.4 million in sales generated by market area residents. The three highest categories of sales, with shares equal to or greater than 20% are food & beverage, general merchandise, and other retail. Together, these three categories account for an estimated 65.3% of market area sales. The remaining categories include clothing & clothing accessories with 12.4% of sales, building materials & garden equipment with 10.4% of sales, home furnishings & appliances at 7.4% of sales, and food services & drinking places at 4.5% of sales.

IV. MARKET AREA DEFINITION

This report chapter discusses the approach to examining the Project's market area, which is the area from which the majority of shoppers is anticipated to originate. This chapter defines the Project's anticipated market area based on this approach and provides information regarding locations of major retail corridors and nodes within the market area.

APPROACH

ALH Economics defined a market area for Alameda Landing for the purpose of analyzing the prospective urban decay impacts. The market area definition is based on the principle that most consumers will travel to the shopping destination most convenient to their homes given the type of goods available. A market area is the geographic area from which the majority of a retail shopping center's demand is anticipated to originate. Several tasks were completed to identify the market area, foremost of which included mapping the location of the Project relative to major competitive retail shopping locations (i.e., other Target stores).

MARKET AREA DESCRIPTION AND BOUNDARIES

ALH Economics conducted research to develop an estimate of the market area for the Project, i.e., the area from which the majority of shoppers will originate. Because of the Project's location in Alameda, along a major thoroughfare, Alameda residents are assumed to comprise a strong consumer base for the Project. Thus, all of Alameda is included in the market area. However, the Project site is also proximate to portions of Oakland given the site's adjacency to the portal of the Webster Street tube. Therefore, portions of Oakland are appropriate to consider for inclusion in the market area. The primary determinant of the Oakland portion of the market area was the location of existing Target stores in Emeryville and San Leandro, given Target's identity as the Project's anchor tenant. The study assumes that Oakland residents for whom Alameda Landing will be the nearest and most convenient Target store will choose to shop at Alameda Landing instead of more distant Target stores anchoring other shopping centers. Other market area defining factors include the traffic patterns created by existing roadways and regional population concentrations.

Relative to the existing Target stores, a number of intersections throughout the area of Oakland south of Interstate 580 between Emeryville and San Leandro were identified for research purposes. These intersections were then tested using mapping software to determine which Target store, including the planned Alameda Landing site, was closest in proximity and involved the shortest travel time. Approximately 25 intersections were mapped and tested in this manner. The testing results identified a narrow band of Oakland for which the planned Alameda Landing Target will comprise the closest Target store relative to both time and distance traveled. This area is generally defined as east of Highway 980, south of West Grand Avenue and other portions of Oakland west of but not adjacent to Interstate 580, and north of a portion of Fruitvale Avenue and a portion of High Street. This area, including the City of Alameda, is depicted in Exhibit 5.

The specific Oakland geography was defined based on aggregations of census tracts. The advantage of using census tracts is that the market area definition is easily defined, easily replicable, and key demographic estimates and projections are readily available in this format. The market area's census tracts are listed in Exhibit B-1. For data collection purposes it was necessary to use both 2000 and

2010 census tract definitions. In most cases the census tracts are the same but there are some slight variations due to census tract splits or aggregations between the decennial censuses.

KEY MARKET AREA SHOPPING DISTRICTS

Within the market area there are several key shopping districts. Radiating out from the Project site, these shopping areas include Marina Village, anchored by a Lucky grocery store, Webster Street, Park Street, South Shore Center, and the small Harbor Bay Landing shopping center on Bay Farm Island anchored by a small Safeway store. There are also many small neighborhood shopping districts distributed throughout Alameda, many of which extend only one to two blocks. In the Oakland portion of the market area the key shopping districts include Jack London Square, Fruitvale Station, and numerous small retailers distributed along portions of Fruitvale Avenue and International Boulevard.

In Alameda, South Shore Center comprises the most significant retail shopping location, with a strong regional tenant orientation. Many other retail tenants in Alameda are small, with many comprising independent operations. There are numerous grocery stores and food retailers distributed throughout Alameda, including some in shopping centers, embedded in key shopping corridors such as Park Street, or comprising neighborhood corner markets.

While the type and nature of existing retailers in these shopping districts is relevant to this urban decay analysis, of equal if not greater importance is the physical condition of the commercial shopping districts and character and volume of existing retail vacancies. Accordingly, later sections of this report provide information about the market area's retail market conditions and general status of the retail market.

V. RETAIL SALES BASE CHARACTERIZATION

This chapter analyzes the retail sales leakage and attraction profile of the City of Alameda, the City of Oakland, and the Project's market area. The analysis focuses on the extent to which each area captures resident household spending as well as sales generated from outside the area. This analysis provides a characterization of the sales performance of the relevant retail sales bases, an estimate of the size of the sales bases, and an estimate of existing demand for retail. ALH Economics conducts this analysis as a building block towards determining the extent to which the Project may or may not divert sales away from existing market area retailers.

METHODOLOGY

Approach

ALH Economics uses a retail model that estimates retail spending potential for an area based upon household counts, income, and consumer spending patterns. The model then computes the extent to which the area is or is not capturing this spending potential based upon taxable sales data published by the State of California Board of Equalization (BOE) or provided by local government municipal tax consultants. This analysis can be most readily conducted for cities, groupings of cities, or counties, consistent with the geographies reported by the BOE.

For any study area, retail categories in which spending by locals is not fully captured are called "leakage" categories, while retail categories in which more sales are captured than are generated by residents are called "attraction" categories. This type of study is generically called a retail demand, sales attraction, and spending leakage analysis. Generally, attraction categories signal particular strengths of a retail market while leakage categories signal particular weaknesses. ALH Economics'' model, as well as variations developed by other urban economic and real estate consultants, compares projected spending to actual sales.

For the purpose of generating a Retail Demand, Sales Attraction, and Spending Leakage Analysis for the Project's market area, as well as its constituent cities, ALH Economics obtained taxable retail sales data for mid-2009 through mid-2010 as reported by the BOE and adjusted the taxable sales to reflect total, more current sales. These were the most recent BOE data available at the time the study was conducted. Using the retail sales data, combined with household counts estimated by the U.S. Census for the cities and market area census tracts, household projections prepared by the Association of Bay Area Governments (ABAG), and income estimates provided by Claritas, Inc., ALH Economics conducted Retail Demand, Sales Attraction, and Spending Leakage Analyses. These analyses compared total estimated household spending to actual retail sales in each geography, i.e., the City of Alameda, the City of Oakland, and the market area. Sales estimates for the market area were prepared based on the available citywide BOE data where relevant, which were then benchmarked to retail sales estimates prepared by Claritas for the portion of the market area not coincident with existing city boundaries.

Demographic Characteristics

ALH Economics' Retail Demand, Sales Attraction, and Spending Leakage Analysis requires household count and average household income inputs for the area of analysis. Demographic data assumptions

for the market area are presented in Exhibit 6. The main assumption relative to the Retail Demand, Sales Attraction, and Spending Leakage Analysis is estimated households for 2010. This is the timeframe that best approximates the time period measured by the available BOE retail sales data. Based on the aggregations of census tracts identified in Exhibit B-1, the market area household count in 2010 totaled 64,837. While not reflected in Exhibit 6, Alameda's household count pursuant to the 2010 census totaled 32,351 in 2010 and Oakland's totaled 169,710. Average household incomes based on Claritas estimates were $94,785 in Alameda, $73,662 in Oakland, and $72,276 in the market area.[4]

MARKET AREA RETAIL SALES BASE

ALH Economics estimated sales for the market area by utilizing city BOE data, with adjustments based on benchmarked retail sales data estimated by Claritas in order to customize the data to the market area. BOE publishes taxable sales figures for counties and major cities; its most recent full-year taxable sales figures are for 2009, with additional quarterly data available through 2nd quarter 2010. No more recent data through BOE are available as of early November 2011, when this study was completed. As a base for estimating the market area's retail sales base, ALH Economics used BOE's figures for cities located in the market area as published in its publication "*Taxable Sales in California*" for third quarter 2009 through second quarter 2010.

Because BOE presents data corresponding with only taxable sales, ALH Economics included adjustments to gross the estimated sales up to total sales. This involved sales adjustments for non-taxable sales for food, pharmacy, and a portion of general merchandise store sales that include food sales. ALH Economics estimates that 70 percent of food store sales and 67 percent of drug store sales are non-taxable based on discussions with the BOE and other industry research, including U.S. Census publications. In addition, sales of grocery items at non-drug store general merchandise stores are non-taxable and are estimated at 20% percent of sales for this subset of the retail category in Oakland and portions thereof based on analysis of the U.S Economic Census for General Merchandise Stores.[5] Consequently, the BOE taxable sales figures for the general merchandise (Oakland) and food stores categories (Alameda and Oakland) are adjusted upward to reflect non-taxable transactions. The general merchandise adjustment was not as relevant to Alameda given that the BOE does not release general merchandise sales for Alameda, and a different estimation procedure described in Exhibit 7 was used to estimate general merchandise sales in Alameda (i.e., benchmarking to Claritas).

The market area sales estimation process is documented in Exhibits 7 and 8 as well as Exhibits B-2, B-3, and B-4. Exhibit 7 identifies the estimation process for the City of Alameda sales base while Exhibit 8 includes estimates for the portion of the City of Oakland located in the market area. The entire market area summation is presented in Exhibit 9. The analysis in Exhibit 7 for Alameda includes adjustments to remove estimated sales at the Alameda Borders bookstore due to the subsequent closure of this store.

The total estimated market area sales base in approximately 2010 was $1.25 billion. The portion of the market area in Alameda comprised $540.4 million of the sales base, or 40.5%. The majority of

[4] Note the average market area household incomes are lower than the average in Alameda and Oakland because of the portion of Oakland incorporated into the market area.

[5] Per the U.S. Economic Census data, General Merchandise stores encompass a mix of department stores, discount department stores, warehouse clubs and Supercenters, variety stores, and other general miscellaneous stores. The 20% estimate is based on the existing mix of stores in the City of Oakland.

the estimated sales occurred in the Oakland portion of the market area, totaling $705.2 million, or 59.5% of the sales base. Adjustments to this sales base occur later in the analysis to reflect more current economic conditions.

RETAIL LEAKAGE AND ATTRACTION FINDINGS

Retail Demand, Sales Attraction, and Spending Leakage Analyses were prepared for the City of Alameda, the City of Oakland, and the Alameda Landing market area, which reflects the City of Alameda and the Oakland portions of the market area. For each area the analysis was conducted for approximately the 2010 time period. The market area findings were then analytically adjusted to approximate conditions in 2011, the current baseline.

City of Alameda

As shown in Exhibit 10, the City of Alameda has retail leakage in almost all retail categories. The only exception is the food and beverage category, where the City experienced an estimated $34.7 million in retail attraction in 2010. Leakage is strong in almost all other categories, typically exceeding 50% of resident spending potential. The categories with the strongest leakage relevant to Alameda Landing's prospective retail mix (i.e., excluding auto-related categories) included the following:

- General merchandise with ($137.2) million in leakage, or 89.7% of resident spending;
- Building materials with ($68.9) million in leakage, or 81.4% of resident spending;
- Food service and drinking places with ($29.0) million in leakage, or 24.1% of resident spending;
- Clothing & and clothing accessories with ($19.6) million in leakage, or 44.2% of resident spending; and
- Home furnishings & appliances with ($13.5) million in leakage, or 48.3% of resident spending.

The remaining retail category was approximately neutral relative to leakage and attraction, other retail. This is a category that includes a wide variety of retailers, such as office supplies, pet supply, book stores, and sporting goods. For 2010, this category had only ($5.8) million in leakage, comprising 5.1% of resident spending. This leakage takes into account the closure of the Borders bookstore in Alameda.

City of Oakland

As shown in Exhibit 11, the City of Oakland also has retail leakage in almost all retail categories, excepting home furnishings & appliance stores and food & beverage stores, with $13.1 million and $48.7 million in attraction, respectively. Leakage is quite pronounced in most other categories, typically exceeding 50% of resident spending potential, just as in the City of Alameda. The categories with the strongest leakage relevant to Alameda Landing's prospective retail mix (i.e., excluding auto-related categories) included the following:

- General merchandise with ($591.1) million in leakage, or 85.0% of resident spending;
- Building materials with ($207.6) million in leakage, or 57.1% of resident spending;
- Clothing & clothing accessories with ($136.8) million in leakage, or 68.3% of resident spending;

- Other retail, with ($100.5) million in leakage, or 19.4% of resident spending; and
- Food service & drinking places, or restaurants, with ($52.9) million in leakage, or 9.8% of resident spending.

These findings indicate that Oakland as a whole has strong retail leakage. This is an important analytical backdrop to the market area retail leakage and attraction analysis that follows.

Market Area

The Alameda Landing market area's Retail Demand, Sales Attraction, and Spending Analysis findings are presented in Exhibit 12. The market area, as previously defined, is comprised of all of the City of Alameda and a nearby portion of the City of Oakland. This area of Oakland includes Jack London Square, Fruitvale Station, and many small retailers along Fruitvale Avenue and International Boulevard. Relative to many other areas of Oakland, this portion of Oakland has a strong complement of retail. This contributes to the retail leakage and attraction profile of the market area, which serves to reduce the leakage relative to both the City of Alameda and City of Oakland findings. In other words, because this area of Oakland has a proportionally higher share of retail sales than all of Oakland, some component of retail attraction serves to otherwise obscure noted leakage, such as in the City of Alameda.

To highlight the findings presented in Exhibit 12, the relevant market area retail leakage findings are as follows:

- General merchandise with ($191.1) million in leakage, or 72.7% of resident spending;
- Building materials with ($49.2) million in leakage, or 35.9% of resident spending; and
- Clothing & clothing accessories with ($23.1) million in leakage, or 30.5% of resident spending.

Several categories in the market area appear to attract sales from outside the market area. These categories include home furnishings & appliances with 40.0% of sales attraction, food & beverage stores with 21.6% attraction, food services & drinking places with 25.4% attraction, and other retail with 3.5% attraction.

Comparative Findings

The market area findings show a slightly different pattern than noted in the City of Alameda. For example, the home furnishings category that is a leakage category in the City of Alameda becomes an area of attraction for the market area. This is likely the influence of the Bed, Bath & Beyond store near Jack London Square. In addition, while there is still building materials leakage, the amount is much less than noted in just the City of Alameda. The amount of food store attraction is higher as well. A summary of the retail leakage and attraction findings across the three geographies is presented in Table 3.

Table 3
Summary Retail Leakage and Attraction Findings
2010, $s in millions

	City of Alameda		City of Oakland		Market Area	
Retail Category	Amount	Percent	Amount	Percent	Amount	Percent
Motor Vehicles & Parts	($124.1)	(81.1%)	($409.4)	(55.8%)	($218.2)	(78.3%)
Home Furnishings	($13.5)	(48.3%)	$13.1	9.9%	$29.8	40.0%
Building Materials	($68.9)	(81.4%)	($207.6)	(57.1%)	($49.2)	(35.9%)
Food & Beverage Stores	$34.7	17.9%	$48.7	6.1%	$78.3	21.6%
Gasoline Stations	($57.1)	(54.2%)	($73.5)	(14.4%)	($133.8)	(68.9%)
Clothing	($19.6)	(44.2%)	($136.8)	(68.3%)	($23.1)	(30.5%)
General Merchandise	($137.2)	(89.7%)	($591.1)	(85.0%)	($191.1)	(72.7%)
Food Services	($29.0)	(24.1%)	($52.9)	(9.8%)	$69.2	25.4%
Other Retail Group	($5.8)	(5.1%)	($100.5)	(19.4%)	$7.2	3.5%
Total	($420.5)	(43.8%)	($881.2)	(45.1%)	($431.0)	(25.4%)

Note: Figures may not total due to rounding.
Sources: Exhibits 10, 11, and 12; and ALH Urban & Regional Economics.

These summary figures provide an interesting comparison between the three geographies; however, the areas of greatest relevance to the urban decay study include the City of Alameda and the market area.

Adjusted Market Area Findings

Because the Retail Demand, Sales Attraction, and Spending Analysis findings were based on 2010 sales and demand estimates, Exhibit 13 presents a generalized update to 2011 dollars. This update is based on applying noted sales tax increases in Alameda to the Alameda portion of the market area sales base and the consumer price index (CPI) to the Oakland portion of the market area sales base (with the exception of gasoline station sales) and the estimated level of consumer spending. The sales tax increases for Alameda reflect data provided to the City by its tax consultant, Hinderliter de Llamas, reflecting sales tax increases noted between Q2 2010 and Q2 2011. These increases were applied to the estimated sales base derived from Q2 2009 through Q2 2010 data to bring the sales base more current. The update for the Oakland portion of the market area is more generalized, given the unavailability of more current sales trend data for Oakland.

In addition to sales base adjustments pursuant to noted sales increases (sales tax increase in Alameda and CPI in Oakland), Exhibit 13 also includes an adjustment based on one key new interim store opening. This new store is the Pagano's Hardware Mart that opened in 2010 at the South Shore Center. This store is considered key because it is representative of one of the categories relevant to the Project, - building materials and garden equipment. Because the BOE sales base is only through second quarter 2010, most of the sales at this new Pagano's location are not included in the sales base. An estimate of these store sales was manually inserted into Exhibit 13. Information from the City of Alameda indicates that this store totals 8,322 square feet. Using the $275 per square foot building materials average store sales figure presented in Exhibit 2 suggests this store could be achieving

approximately $2.3 million in annual sales. This amount was added into the market area sales base for the Alameda portion, resulting in an estimated 14.524% increase in Alameda sales in this category. It is possible that some of the store sales at the South Shore Pagano's occurred by reducing sales at the existing Pagano's location on Lincoln Avenue, but the study assumes all of the sales are net new, which increases the sales base and reduces estimated leakage in this category. Relative to estimating market area leakage, this is a conservative assumption.

The result of these adjustments is presented in Exhibit 13, which indicates a market area sales base of approximately $1.3 billion, and total retail leakage of ($403.0) million. This leakage is less than the noted 2010 leakage from Exhibit 12 of ($431.0) million, but only because of the strong growth in gasoline sales. Absent the influence of gasoline sales, market area leakage is estimated to remain generally the same, at ($297.2) million in 2010 and ($294.6) million in 2011.

VI. PROJECT SALES IMPACTS

The following analysis examines the extent to which the Project's operations would attract new sales to the market area and/or divert sales from existing retailers. If some sales are diverted, the maximum level of impact on existing market area retailers is identified.

APPROACH

ALH Economics has developed an analytic approach that estimates the impact of the Project's incremental sales on existing retailers. For this analysis, the approach assumes that if the Project is adding sales to a category in an amount greater than any potential recaptured market area leakage in the category, ***then at worst***, the amount of sales in that category in excess of any recaptured leakage will be diverted away from existing market area retailers. This is a conservative assumption given that diverted sales could also occur among other retailers beyond the market area boundaries.

RECAPTURED LEAKAGE POTENTIAL

One potential source of demand for new retail space such as the Project is the share of market area residents' shopping that occurs outside of the market area, comprising the estimated retail leakage. In other words, given the identification of retail leakage, market area households clearly spend some proportion of their incomes at non-market area stores, including the concentrations of retail in Emeryville, San Leandro, other parts of Oakland, and beyond. If the addition of the Project makes the market area a more convenient shopping destination, local demand could increase through the recapture of these sales.

Leakage Categories and Amounts

As summarized in Exhibit 14, the market area experiences ($607.4) million in retail sales leakage. Some of this leakage, however, is in categories not relevant to Alameda Landing, such as leakage totaling ($233.6) million in motor vehicles sales and ($108.6) million in gasoline sales. The retail categories in the market area with leakage relevant to the Project include building materials & garden equipment with ($50.5) million in leakage, clothing & clothing accessories with ($17.9) million in leakage, and general merchandise with ($196.7) million in leakage. In addition to this market area leakage, the City of Alameda exhibits leakage in retail categories not characterized by leakage in the market area. This is attributable to the presence of several strong retail nodes in the market area portion of the City of Oakland, including the Jack London Square area and the Fruitvale Station shopping center. Thus, leakage in Alameda also presents an opportunity for the recapture of sales. The categories where leakage in Alameda is assumed to have the potential for recapture include home furnishings & appliances stores, food services & drinking places, and other retail, with estimated 2011 leakage of ($12.6 million), ($26.6) million, and ($5.5) million, respectively (see Exhibit 14).

Recaptured Leakage

Categories Comprising All Recaptured Leakage. The enhanced shopping opportunities provided by Alameda Landing will serve to help recapture existing retail leakage. The amount of recaptured leakage will depend upon the nature of the Project's retail opportunities and the complexity of the retail purchase. As demonstrated in Exhibit 14, the analysis assumes all of the Project's home furnishings & appliances and building materials & garden equipment sales will be accounted for

through recaptured leakage. Even with these amounts of sales accounted for through recaptured leakage there will still remain ($6.4) million in home furnishings leakage generated by Alameda residents and ($40.1) million in market area building materials leakage. The Project's new building materials retail in particular will help broaden market area offerings but will not meet all resident shopping needs in this category. Market area residents will continue to need to make such purchases outside the market area, just as Alameda residents will continue to make home furnishings & appliances purchases out of Alameda. The depth of the building materials leakage, however, suggests that existing market area stores such as Pagano's, an established independent hardware store with a long history of serving Alameda, will not experience a substantial sales decline attributable to Alameda Landing's potential building materials store. Instead, consumers will have more choice, and Oakland market area shoppers will be more likely to purchase building materials goods in Alameda given the site's somewhat greater proximity to Oakland relative to either of the Pagano's store locations.

In like manner, all of the Project's $16.9 million in general merchandise sales generated by market area residents are assumed to be accounted for through recaptured leakage. This retail category is the relevant category with the greatest amount of leakage in the market area, totaling ($196.7) million. Even with the Project achieving all its sales through recaptured leakage the market area will continue to have almost ($180) million in general merchandise sales leakage. Thus, there will continue to be a need for market area residents to patronize other general merchandise retailers throughout the greater region.

Finally, the Project's food services (i.e., restaurant) sales are also assumed to be accounted for through recapture of existing leakage, with still a very strong increment of almost ($23.0) million leakage in this category noted in Alameda.

Categories with Partial Recaptured Leakage. There are two other categories of Project sales with noted leakage that have the potential for some recapture. These categories include the Project's $10.3 million sales in clothing generated by market area residents and $17.1 million in other retail sales. For these categories, however, ALH Economics does not assume that all Project sales will represent recaptured leakage. This is because consumers purchase apparel at a wide variety of retailers, meeting the needs of many family members and for a range of purposes, including casual, work, and dressy. Accordingly, the analysis assumes that one-half the Project's clothing sales will constitute recaptured leakage, but that another one-half will not. In other words, market area consumers will continue to make clothing purchases outside the market area to meet a wide variety of needs, such that some portion of Project sales in this category may constitute sales diverted from existing market area retailers. Hence the analysis assumes that $5.2 million in Project apparel sales will comprise recaptured leakage and another $5.2 million will comprise sales diverted from existing market area retailers.

In similar fashion, there is not strong leakage noted in the Project's other retail sales category, which includes a wide array of retail stores. A portion of the small amount other retail leakage generated by Alameda residents is assumed to be recaptured, but given the low level of leakage this accounts for only a small portion of the Project's anticipated sales generated by market area residents.

Total Project Recaptured Leakage. In total, Exhibit 14 indicates that an estimated $43.4 million in Project sales will be achieved through recaptured sales leakage in the home furnishings, building materials, clothing, general merchandise, food services, and other retail categories. While this recaptured sales leakage amount translates into new market area sales, the constituent recaptured sales will still occur to the detriment of other existing retailers.

In the absence of a detailed survey of market area residents it is difficult to identify which existing retailers may experience sales reductions as a result of the Project's recaptured leakage. However, one likely such retailer is Target itself, in other area locations. Target is a very popular retailer, such that market area residents likely already spend a certain portion of their retail dollars at nearby Target stores, such as the more established store in San Leandro or the newer store in Emeryville (see Exhibit 5). Much of the recaptured sales leakage is likely to occur to the detriment of these two stores. Therefore, a significant portion of the identified $43.4 million in recaptured leakage will comprise reduced sales at the San Leandro and Emeryville Target stores, neither of which ALH Economics anticipates will close as a result of Target's decision to locate in Alameda. The other stores outside the market area likely to lose sales as a result of the Project's recaptured leakage are certainly located over a wide area, depending on the nature of the good, and probably include stores in other Oakland locations (including the Walmart store on Edgewater Drive near the Oakland Airport), San Leandro, Emeryville, Berkeley, and even San Francisco. This is such a widely dispersed area that it is unlikely that any particular store outside the market area, including the nearby Walmart store, would lose sufficient sales directly attributable to the Project resulting in store closure, and thus would not lead to urban decay in this more generalized area.

ESTIMATED MARKET AREA SALES IMPACTS

Sales Base Impacts

Absent the share of Project sales anticipated to be generated by consumers outside the market area and the above-referenced recaptured leakage, Exhibit 14 indicates the potential for $40.0 million in sales to be diverted from market area retailers. This sales volume includes all of the Project's anticipated $20.4 million in food sales generated by market area residents as well as $5.2 million in clothing sales and $14.4 million in other retail sales.

The City of Alameda and the market area are both characterized by food sales attraction. Consequently, the analysis conservatively assumes that any Project food sales generated by market area residents will occur to the detriment of existing food and beverage retailers in the market area. In similar fashion, the portion of clothing and other retail sales generated by market area residents not accounted for through recaptured leakage are also conservatively assumed to be diverted away from existing market area retailers.

Food Sales Impacts. Relative to the market area, the diverted food and beverage store sales comprise 5.4% of the estimated market area retail sales base (see Exhibit 14). This is a relatively low amount, and if spread across the range of market area food retailers is unlikely to be sufficiently strong enough to cause any particular store to close. This conclusion is especially relevant given ALH Economics' analysis of food store performance data in the cities of Alameda and Oakland, generated by Nielson Trade Dimensions. These data provide estimates of store sales and selling square feet, from which annual average store sales per square foot can be deduced. These data were acquired by ALH Economics pursuant to a confidentiality agreement indicating that individual store performance data will not be disclosed; however, discussing store sales trends is acceptable pursuant to this agreement.

The City of Alameda and Oakland portion of the market area are characterized by a wide range of food shopping opportunities, including conventional grocery stores such as Lucky, Safeway, and Nob Hill as well as specialty produce, meat, and seafood markets, such as Dan's Fresh Produce, Baron's Meat & Poultry, and JP Seafood. Given the potential size of the Project's identified grocery space,

30,000 square feet, the main grocery tenant will comprise a mid-sized grocer, likely with a specialized orientation, although this is similar to the size of the Safeway store on Bay Farm Island.

Based on industry wide performance standards, this analysis assumes the typical grocery store achieves average sales of $535 per square foot (see Exhibit 2). This figure is an industry standard, with wide variations by type of grocer. For example, specialized food stores such as Trader Joe's and Whole Foods achieve substantially higher sales per square foot figures, while most discount-oriented food stores achieve lower per square foot figures. There is not a strong presence of discount food retailers in the market area, with the exception of a Smart & Final store in the Oakland portion of the market area. In addition, more conventional grocery stores tend to have a lower industry standard than the overall supermarket average, such as $460 in 2010 for conventional multiregional stores as reported by the Retail Maxim resource relied upon for this study.

Pursuant to the Nielson Trade Dimensions data obtained for food stores in Alameda and Oakland, almost all the food store retailers in Alameda are exceeding the industry average sales volume figure, with Trader Joe's substantially exceeding even its 2010 national average figure of $1,941.[6] An exception to this above average sales performance in Alameda is the Safeway on Bay Farm Island and one or two of the city's smaller markets. In addition, the Lucky store nearby in Oakland at Fruitvale Station is also performing below this average level as is the Smart & Final. However, across the markets in Alameda and the Oakland portion of the market area included in the Nielson Trade Dimensions database, and excluding the high performing Trader Joe's, the average store achieves sales of over $700 per square foot of sales area, which converts to over $650 per square foot of store space assuming a ratio of 10% non-sales space.

Stores that achieve less than these amounts are still typically performing above the cited conventional multiregional store average. This includes the grocery store in closest proximity to Alameda Landing, the Lucky store at Marina Village, as well as the more distant Nob Hill grocery at Bridgeside Shopping Center. While the Marina Village Lucky store is close to Alameda Landing, it is anticipated to be able to withstand the competitive influence of a new grocery store, in large part because that area of the Island is not well-served by grocery stores, future growth is anticipated in this area (see following section), and because the Alameda Landing grocery store is more likely to achieve sales from residents in the Oakland portion of the market area than the Alameda Lucky store given that there is already a Lucky store nearby in Oakland proximate to the Oakland market area residents. In addition, as a mid-sized grocery store, the Alameda Landing store is likely to be more niche-oriented, thereby complementing or appealing to a different customer mix than a more conventional Lucky store.

In conclusion, because of the noted strong sales of most market area grocery stores, especially those most likely to be competitive with a new mid-sized grocery store with a likely specialized niche, ALH Economics does not anticipate that any loss of store sales attributable to the success of the Project's planned food sales will impact any existing food store to the extent to cause store closure. Moreover, the stores with lower than average store performance will likely not be highly competitive with the Project's food sales, given that the Safeway on Bay Farm Island is the furthest store location from the Project site and most proximate to the relatively contained Bay Farm Island population base and that the Lucky store at Fruitvale Station likely serves mostly the Oakland portion of the market area households.

[6] Trader Joe's average performance indicator from Retail Maxim, "Alternative Retail Risk Analysis for Alternative Capital", July 2011, page 24.

Clothing and Other Retail Sales Impacts. The clothing and other retail sales impacts collectively total $19.5 million in sales. The identified sales are equivalent to 8.6% of the market area sales base in clothing stores and 6.9% the sales base in other retail. If these sales impacts are concentrated among specific market area retailers, it is possible they might incur a high enough loss in sales to impair operations and ultimately close. This is less likely to occur in the other retail category because these sales impacts are distributed among a wide range of retailers, such as office supplies, pet supply, sporting goods, bookstores, and drugstores, and with service and product changes such retailers have been successful in repositioning their stores and increasing sales in other product lines. The pharmacy component at Target could present a competitive threat to existing market area drugstores; however, the scale of these impacts is likely to be minimal, especially given the comparative accessibility and convenience advantages of more stand-alone, neighborhood-oriented drugstores.

The analysis suggests that some clothing stores may be most susceptible to sales losses and declines sufficient to induce some store closures. However, at the clothing store sales estimate of $405 per square foot presented in Exhibit 2, the $5.2 million sales impact is equivalent to less than 13,000 square feet of retail space. This is a very small increment of space, comprising less than 0.5% of the market area's retail inventory, and thus is not anticipated to pose a substantial hardship to the commercial marketplace.[7] Moreover, even with development of Alameda Landing the City of Alameda and the market area as a whole will continue to exhibit retail sales leakage in numerous retail categories. Therefore, any retail vacancies that might occur due to negative sales impacts of Alameda Landing would have the strong potential to be backfilled by new stores positioned to satisfy unmet retail shopping needs.

Webster Street Impacts. While not a retail sales category, the Webster Street shopping area radiates out from the Alameda Landing Project site, and is part of the West Alameda Business District, which also includes businesses on other area streets such as Central Avenue, Main Street, Buena Vista Avenue, and Santa Clara Avenue, among others. The businesses in this area are primarily small, service-oriented businesses, representing a wide range of businesses, such as restaurants, personal services, antiques and collectibles, community services, medical services, professional services, automotive services, and a range of small, unique shops such as art glass work and restoration, sportswear, fine women's apparel, and jewelry. The strong service orientation and niche retailing in this area suggests limited competitive overlap with the planned tenant programming at the Alameda Landing Project. Restaurants might comprise the greatest competitive influence given the 12,000 square feet of restaurant space planned at the Project. However, the market area's strong leakage in this retail category suggests sufficient demand will exist to support the Project's restaurant spaces as well as the many restaurants on and around Webster Street. Moreover, the Project is likely to attract national or regional chain restaurants, whereas the restaurants in the Webster Street area are largely independent restaurants, with a clientele seeking a different kind of dining experience. Finally, it is also possible that Alameda Landing will help serve as a catalyst for additional shopping on Webster Street, as shoppers become more familiar with the area and the wide array of available services and shops.

Offsetting Effects of Future Growth

The Target store is assumed to be completed during fall 2013. Other retailers may locate and open at the center later, such as during 2014 or 2015. Thus, prior to the Project opening there will be the potential for new retail demand to be generated from within the City of Alameda and the market area as a whole pursuant to population growth.

[7] See Exhibits 21 and 22 for information about the size of the market area retail inventory.

New Development Potential. There are several residential developments planned in Alameda, including the residential component of Alameda Landing. The projects with more defined development timeframes are identified in Exhibit 15. In addition to Alameda Landing, with 300 units entitled and units anticipated for delivery beginning in 2015, these projects include the 182-unit approved Boatworks project, the 130-unit planned Harbor Bay Complex, the 61-unit approved Alameda Mariner project, and the 40-unit Grand Marina Village project already under construction. In total, the available project information indicates the potential for 713 new residential units in Alameda, although not all of the projects have identified opening or completion date expectations.

In addition to the preceding five residential projects, Alameda Point, planned for a portion of the former Naval Air Station in Alameda, may have some long-term residential development potential. Development plans for this property have a long evolution, with the ultimate disposition of a portion of the property somewhat in the balance at the present time. The Navy and the City of Alameda have negotiated a term sheet for conveyance of the base to the City of Alameda starting in 2012. The term sheet caps the number of new residential units at 1,425 over the life of the project. Other large-scale land uses will also be included in the site's redevelopment. If the City or master developer seeks to build more than the identified 1,425 residential units a surcharge will be paid to the Navy at a future date. The timing of Alameda Point's potential residential development is undetermined at this time. However, long-term residential development appears to be a strong possibility, which could result in the formation of more than 1,000 new households, providing long-term strong support for existing and future retail space.

Exhibit 15 also includes seven future residential projects in the Oakland portion of the market area. All of the Oakland projects are either approved or under construction, and total 3,734 units. The largest project is the Oak to Ninth Mixed-Use project, which is part of a planned waterfront zoning district comprising 64.2 acres. This approved project has the potential for 3,100 units, with unit delivery possibly starting in 2015. There are other, smaller projects planned in this part of Oakland, many of which are affordable housing and/or senior housing units. In total, the seven Oakland area residential projects have the potential for adding 3,734 new units to the market area, all of which will generate demand for retail.

Retail Demand Implications. Future market area residential growth will create additional retail demand in Alameda and throughout the region, helping to offset any negative sales impacts induced by the Alameda Landing retail project. To be conservative, the report does not quantify this potential demand, but estimates of market area household retail demand in 2011 dollars are presented in Exhibit 16. This exhibit indicates that each new market area household is estimated, on average, to generate $23,500 in annual retail demand. Of relevance to the Alameda Landing Project, the largest component of annual household retail demand is approximately $4,500 for food and beverage stores (the dollar figures for total demand and food expenditures will be lower for residents of affordable housing units, such as many of the planned residential units in the Oakland portion of the market area). Because of the propensity for consumers to purchase groceries relatively close to home, the majority of this per household expenditure would likely be captured within the market area. Thus, future household growth will help buoy demand at Alameda Landing as well as sales at existing grocery stores that may experience a sales decline because of the Alameda Landing grocery store.

The grocery stores closest to the planned residential developments will likely benefit the most from the grocery component of demand, but other stores throughout Alameda and the Oakland portion of the market area will benefit from the retail demand generated in a range of other retail categories. Not all demand in these categories will be captured by market area retailers, as demonstrated by the

strong market area leakage, but certainly a significant portion will have the potential to be retained to support for existing and planned retail development, such as Alameda Landing and other planned retail projects, discussed in the following chapter.

VII. CUMULATIVE PROJECT IMPACTS

This analysis seeks to quantify the impact of the Project taking into consideration other planned competitive retail projects within or very near the market area. The cumulative projects that have been assessed for impacts include retail developments that are in various stages of entitlement or planning; however, specific development timelines are not available for many of the projects. It is therefore conservative for the analysis to identify and include these projects as cumulative projects as they may ultimately not be open and operational during the approximate same timeframe as the Project.

IDENTIFIED RETAIL DEVELOPMENT PROJECTS

ALH Economics identified eight potential cumulative retail development projects in the market area and surrounding area of Oakland. Information about these projects was primarily derived from interviews with local government sources, reviews of planning department information, and supplemental news articles. These eight projects are described in Exhibit 17, which also identifies their distance from the Project site. Five of the cumulative projects are within the market area, with one in Alameda and the remaining four in Oakland. These projects vary in distance from the Project site, ranging from 2.0 to 3.1 miles. The remaining three projects are located in Oakland very close to the market area boundary, and range from 3.0 to 3.7 miles from the Project site. These projects are included because their market areas may overlap to some extent with the Project's market area, thus providing competition for market area resident retail expenditures.

The five projects located in the market area and their net amount of planned retail space are as follows:

- Oak to Ninth mixed use project in Oakland, approved, with up to 200,000 square feet of planned commercial space, with potential opening by 2015 (this project also includes planned residential development);
- Jack London Square redevelopment in Oakland, approved with 10,000 square feet of additional retail;
- CVS and retail project on Santa Clara Avenue in Alameda, in the pre-application stage with 10,000 net square feet of retail;
- Kaiser Center in Oakland, approved project with potentially 22,000 square feet of retail space; and
- Victory Court Ballpark Development in Oakland, including 180,000 square feet of retail, with a DEIR under preparation (the project also includes planned residential development).

The remaining three planned retail projects located near but not within the market area include the following:

- Valdez & 23rd Street project, with 12,000 square feet of retail and planned residential units, with prior approval extended;
- Mandela Transit Village, including 38,500 square feet of retail and a residential component, which approval valid through year-end 2011; and
- Macarthur BART Transit Village, another planned residential project with 42,500 square feet of retail, currently under construction.

ALH Economics conservatively assumes all these projects but one has the potential of being developed somewhat coincident with the timeframe for the Project. The exception is the retail associated with the Kaiser Center in Oakland, which Oakland city sources indicate will not be fully developed for more than five years, beyond the near-term time-frame of Alameda Landing's retail development.

CUMULATIVE PROJECT SALES ESTIMATES AND SALES IMPACTS

Sales Estimates

Sales figures for the seven remaining cumulative projects are estimated in Exhibit 18. The estimates were developed with sensitivity to the size and nature of the prospective retail space, and range from $360 per square foot to $444 per square foot, as general sales estimations. These figure reflect estimates for neighborhood shopping centers or more generalized other retail sales, depending upon the orientation of the cumulative project. For the full amount of planned retail development among the cumulative projects, which totals 489,600 square feet, these estimated sales total $184.6 million.

The cumulative retail projects will compete with the Project's market area only to the extent that their market areas overlap. Exhibit 18 also shows estimates of the share of each cumulative project sales anticipated to be sourced from the same market area as the Project. These estimates are the result of generalized assumptions, based on consideration of the location of the projects, their distance from the Alameda Landing site, and the anticipated nature of their retail space and likely consumer. For example, the CVS Retail project is the only cumulative project located in Alameda. This project is anticipated to have a 50 percent overlap with the Project's market area. A greater figure is not used because a CVS store is more convenience oriented than the planned Project components, and thus is not anticipated to draw consumers from as large an area as the Alameda Landing Project. The other cumulative projects are assumed to have 10 to 30 percent market area overlap with the Project, with the cumulative projects located outside the Project's market area assumed to be at the low end of this range.

Pursuant to the market area overlap assumptions, $27.6 million of cumulative project estimated sales are assumed to be competitive with the Project and generated by residents within the Project's market area. These retail sales are then distributed by retail category in Exhibit 19. The sales distributions are based upon industry averages identified by type of retail shopping center. These sales distributions are presented in Exhibit B-5, which summarizes industry trends for a range of shopping centers, including neighborhood centers, community centers, power centers, regional malls, and lifestyle centers.

The results of the cumulative project sales distribution indicate that the majority of cumulative project market area sales will occur in four retail categories: general merchandise sales, with $6.8 million, or 25% the competitive total; food stores, with $6.5 million, or 24% the competitive total; other retail, with $6.0 million, or 22% the competitive total; and restaurants, with $5.2 million, or 19% the competitive total. This leaves $3.0 million of competitive sales spread among additional retail categories.

Impact Analysis

In an analysis parallel to the Project impact analysis, the cumulative project impact analysis is documented in Exhibit 20. This exhibit takes into consideration the anticipated sales by retail category from the Alameda Landing Project and the cumulative projects, focusing on the sales anticipated to originate from each project's market area. As with the Project's sales impact analysis, the cumulative projects analysis includes recapture of a portion of the estimated market area or Alameda leakage for

retail categories where leakage was identified. The assumptions underlying the share of sales recaptured for the cumulative projects are similar to the assumptions described for the Project's impact analysis.

The results in Exhibit 20 indicate maximum cumulative project impacts on market area retailers totaling $57.6 million. This compares to the Project's impact analysis of $40.0 million. Table 4 highlights the comparative sales impact findings for just the Project as well as the Project in combination with the competitive portion of the cumulative retail projects.

Table 4
Comparative Sales Impacts
Alameda Landing and Cumulative Projects
$s in millions

Retail Category	Alameda Landing	Cumulative Projects
Food and Beverage Stores	$20.4	$26.9
Clothing and Accessories Stores	$5.2	$5.4
Food Service (Restaurants)	$0.0	$4.9
Other Retail	$14.4	$20.4
Total	$40.0	$57.6

Note: Figures may not total due to rounding.
Sources: Exhibits 14 and 20.

The figures in Table 4 indicate that the increment in sales impacts is negligible for the clothing category. As Table 20 indicates, the additional restaurant sales impact figure is equal to only 1.7% of the market area's retail sales base. This is not a sufficiently high enough level of impact to warrant concern that some existing restaurants may close. In all likelihood, with a greater variety of options, and assuming continued economic recovery, households will likely dine out more, thus potentially compensating for the prospective sales loss.

This leaves the food and other retail categories as the ones with the greatest amount of incremental sales impact pursuant to the cumulative projects. As with the Project impacts, new household growth as it materializes will to some extent likely help offset these impacts. Moreover, the incremental sales impact figures are low enough that it is unlikely any food stores would experience sales losses sufficient to prompt store closure. Finally, if existing stores close because of the other retail sales impacts, as with the Project impacts there are many other market area opportunities for new stores to open and help satisfy unmet retail demand.

The extent to which any possible store closures become problematic for the retail market will also depend upon the market strength, regulatory controls, and actions pursued by property owners. These market area characteristics, and the resulting likelihood of potential vacancies causing urban decay, are discussed in the following chapter.

VIII. URBAN DECAY DETERMINATION

The purpose of this chapter is to assess the degree to which development of the retail portion of Alameda Landing will or will not contribute to urban decay. This includes impacts associated with the cumulative impacts of the Project and other planned retail development. This chapter discusses the definition of urban decay, the study's approach to determining urban decay potential, and ALH Economics' urban decay determination.

STUDY DEFINITION OF URBAN DECAY

For the purpose of this analysis, urban decay is defined as, among other characteristics, visible symptoms of physical deterioration that invite vandalism, loitering, and graffiti that is caused by a downward spiral of business closures and long term vacancies. The outward manifestations of urban decay include, but are not limited to, plywood-boarded doors and windows, parked trucks and long term unauthorized use of the properties and parking lots, extensive gang and other graffiti and offensive words painted on buildings, dumping of refuse on site, overturned dumpsters, broken parking barriers, broken glass littering the site, dead trees and shrubbery together with weeds, lack of building maintenance, homeless encampments, and unsightly and/or dilapidated fencing. A project's economic impacts on a community are only considered significant if they lead to adverse physical changes in the environment.

APPROACH TO DETERMINING URBAN DECAY POTENTIAL

ALH Economics engaged in several tasks to assess the probability of urban decay ensuing from Project development and the identified cumulative projects. These tasks revolved around assessing the potential for closed retail store spaces, if any, to either (a) remain vacant for a prolonged period of time such that they contribute to the multitude of causes that could eventually lead to urban decay, or (b) be leased to other retailers within a reasonable marketing period.

The purpose of this research was to determine if sufficient retailer demand exists to absorb vacated space in the event existing retailers close due to any negative economic impacts of the Project and the development of other planned retail. ALH Economics conducted field research and contacted real estate brokers and third party resources to determine the commercial health of the market area.

THE CURRENT ENVIRONMENT

ALH Economics conducted fieldwork throughout the City Alameda and the Oakland portion of the market area. The purpose of this fieldwork was to perform reconnaissance of the Project site, identify and visit select competitive retailers, such as grocery stores and other food-related vendors, examine the physical condition of major shopping centers and shopping corridors, and identify existing retail vacancies and assess their condition and appearance. The examination of retail vacancies was guided by two resources identifying existing retail vacancies, especially in Alameda. These included listings of vacancies prepared by CoStar, a commercial real estate information company, and LoopNet, an online commercial real estate listing service. Other Alameda retail vacancies that were not included in these listings were additionally identified during the fieldwork.

Retail Market Statistics

Historically, both Alameda and the City of Oakland have generally maintained relatively healthy retail market sectors. Historical trend data in Exhibit 21 presents general vacancy, absorption, and new construction trends in Alameda by quarter beginning in 2006. The same data are presented for Oakland in Exhibit 22. Such trend data are not available exclusively for the Oakland portion of the market area. However, Oakland trends in general are informative, and the fieldwork conducted in the Oakland portion of the market area suggested that overall market conditions in this part of Oakland are likely as strong as they are citywide.

Exhibit 21 indicates that as of third quarter 2011, Alameda had an overall retail vacancy rate of 6.5%. This rate is better than noted during the height of the recession in 2009, when vacancy peaked at 8.2%, and only slightly higher than the rates noted during 2006, when retail conditions and consumer spending patterns were considered among their strongest. Alameda's retail vacancy rate during this time vacillated between 4.6% and 5.2%. In general, retail markets are deemed most healthy when there is some increment of vacancy, at least 5.0%, which allows for market fluidity and growth of existing retailers. Thus, the current Alameda retail vacancy rate of 6.5% is a reasonable vacancy rate and indicative of a relatively strong market. In like manner, the data presented for Oakland in Exhibit 22 indicates that Oakland is generally characterized by a strong retail market, with third quarter 2011 vacancy at 3.8%, and a peak over the past 5.5 years of 4.9% earlier in 2011. These figures suggest the retail market in Oakland as a whole is even stronger than the retail market in Alameda.

Retail Lease Transactions

Exhibit 23 demonstrates that retail vacancies in Alameda are finding new tenants. This exhibit includes information about 19 leases transacted during a recent one-year period from October 2010 to October 2011. These 19 leases accounted for absorption of 35,300 square feet of retail space in Alameda, averaging 1,860 square feet each. While most of these lease transactions are for a relatively small increment of space, they are indicative of strong interest in the Alameda retail market. Although not included as part of the report, similar information regarding executed leases in the entire City of Oakland identified approximately 100 retail leases executed over the same one-year time frame.

Retail Vacancies

The CoStar and LoopNet lists of retail vacancies and area fieldwork identified at least 30 retail vacancies in Alameda as of October 2011. Similar to the lease transactions identified in Exhibit 23, most of these vacancies are relatively small. The exception is two larger vacancies at South Shore Center, one of which is a former Border's bookstore, the closure of which was independent of any inherent issues with the Alameda retail market.

There appear to be a few select areas in Alameda that, on a relative basis, have a concentration of the City's retail availability. These areas include a small shopping center at approximately the southern end of Webster Street at Central Avenue and the Bridgeside Shopping Center on Blanding Avenue, where Alameda's successful Nob Hill Grocery store is located. Despite this small concentrations of retail vacancy, interviews with real estate brokers active in Alameda supported the earlier conclusion from reviewing the CoStar vacancy data that the retail market in Alameda is strong. In particular, two surveyed brokers, who represent the Gallagher & Lindsey and CB Richard Ellis brokerage firms, indicated that smaller retail vacancies do not stay vacant for long. One broker indicated that smaller spaces between 500-800 square feet lease quickly and that spaces over 2,000

square feet stay vacant for only about four months. The other broker indicated that Alameda has a very healthy vacancy rate and that spaces under 5,000 square feet stay vacant about three to six months.

POTENTIAL FOR URBAN DECAY RESULTING FROM THE PROJECT

Contributing Causes to Urban Decay

Before considering how the Project and cumulative projects might affect the market and environs, it is useful to focus on what constitutes the *environmental* impact known as urban decay. The leading court case on the subject, *Bakersfield Citizens for Local Control v. City of Bakersfield* (2004) 124 Cal.App.4th 1184, 1204, described the phenomenon as "a chain reaction of store closures and long-term vacancies, ultimately destroying existing neighborhoods and leaving decaying shells in their wake." The court also discussed prior case law that addressed the potential for large retail projects to cause "physical deterioration of [a] downtown area" or "a general deterioration of [a] downtown area." (Id. at pp. 1206, 1207). When looking at the phenomenon of urban decay, it is also helpful to note economic impacts that do not constitute urban decay. For example, a vacant building is not urban decay, even if the building were to be vacant over a relatively long time. Similarly, even a number of empty storefronts will not constitute urban decay. Based on the preceding descriptions regarding urban decay, therefore, ALH Economics' analysis examined whether there was sufficient market demand to support the Project without affecting existing retailers so severely such as to lead to a downward spiral toward decay.

There are existing retail vacancies in Alameda and the Oakland portion of the Project's market area. All of the vacant retail spaces observed during the field reconnaissance in Alameda and the Oakland portion of the market area are in good condition, with no obvious signs of deterioration or decay. These vacancies are occurring independent of Project or cumulative project development. The condition of the vacancies indicates that property owners are engaging in property maintenance efforts and providing upkeep even in the absence of tenants.

The findings presented earlier regarding the Project's sales impacts indicate the potential for $40.4 million in market area sales diversions, in the categories of food stores, clothing stores, and other retail. When the broader range of cumulative projects is considered, sales impacts were additionally identified in the restaurant category, with the cumulative total of all sales impacts increasing modestly to $58.0 million. These are impacts remaining after sales leakage is captured by the Project as well as the cumulative projects. A portion of these impacts are anticipated to be absorbed through new growth and some retailer repositioning. The level of impacts that may remain even after new demand and retailer repositioning are accounted for can lead to any one or more of the following consequences:

1. sales diversion from existing market area retailers;
2. slower than anticipated completion and opening of space at Alameda Landing and other proposed retail developments;
3. lower initial sales volumes at the Project and other proposed retail developments; and
4. a longer than estimated period of time to reach stabilized sales among the new retail developments.

In other words, the estimated sales impacts are likely to affect two types of businesses/retailers: existing retailers (#1 above); and the developers and future tenants of the other retail centers

proposed for the market (#2-4 above). With regard to the impact on existing retailers, some existing stores in the impact categories could sustain a short-term reduction in sales while others may not be able to do so and could close. It is when stores close that concerns about urban decay come to the forefront. However, in the case of the Alameda Landing project, ALH Economics does not believe there is the potential for urban decay to ensue as a result of Project development.

Urban Decay Conclusion

In developing a conclusion regarding the potential for urban decay, ALH Economics relied on the definition presented earlier in this chapter, which focused on determining whether or not physical deterioration would likely result from the opening of the Project and other cumulative retail developments. ALH Economics' conclusion is based on consideration of current market conditions, findings regarding diverted sales, the backfilling potential of existing store spaces, and regulatory controls, as summarized below:

- ***Current Market Conditions***: The field research, market research, and broker interviews indicated that retail market conditions are strong in Alameda. Both Alameda and the Oakland portion of the market area have low retail vacancy rates, indicating that long-term retail vacancy is not an issue in the market area. Existing retail vacancies appear well-maintained, and retail brokers indicate that vacancies in Alameda are typically absorbed within a reasonable time period. There are no visible signs of urban decay or deterioration among the market area's retail nodes and corridors.

- ***Diverted Sales and Additional Retail Leakage***: ALH Economics estimates that after recapture of existing market area leakage and new demand generated by household growth, there is the potential for a few small retail operations to close in the market area. However, even with development of the Project and other cumulative projects, Alameda and the market area are anticipated to be characterized by continued retail leakage in several retail categories. This remaining leakage provides an opportunity for other retailers to enter the marketplace focused on satisfying unmet retail demand.

- ***Backfilling Potential:*** Research findings indicate that available vacancies for smaller retail spaces in Alameda are filled within a reasonable time, typically no more than six months. It is obvious from the existing vacancies at South Shore Center that larger vacancies require more time, but south Shore Center appears to be a strong performing center, including the City of Alameda's two strongest performing grocery stores (e.g., Trader Joe's and Safeway). However, it is unlikely that any vacancies that might result from development of the Project or cumulative projects will cause existing large retailers in Alameda or the market area to close, thus the backfilling experience of smaller retail spaces is most relevant to this analysis.

- ***Regulatory Controls:*** City ordinances, such as the City of Alameda Code of Ordinances Chapter 4-1 on Litter Control, Chapter 4-2 on Graffiti, Chapter 13-14 on Boarded Buildings and Vacant Parcels, Chapter 13-15 on Boarded Building and Vacant Parcel Monitoring Fee, and Chapter 23-4 on Weeds, Rubbish, and Rubbish Control, require property owners to maintain their properties so as not to create a nuisance by creating a condition that reduces property values and promotes blight and neighborhood deterioration. Enforcement of these ordinances can help prevent

physical deterioration due to any long-term closures of retail spaces. If properties require nuisance abatement there are controls in place to provide this abatement. For example, if Code Enforcement issues a complaint for a nuisance like graffiti, the property owner has three days to abate the graffiti. If property owners do not address code violations such as graffiti abatement, the City has the right to issue an Order to Remove Graffiti, which ultimately gives the City the right to abate the graffiti at the property owner's expense. Similar provisions exist for litter, weeds, and rubbish abatement. As a further example, the ordinance on boarded building or vacant parcels requires that owners of any boarded building should rehabilitate the building for occupancy within 90 days after the building is boarded, whether it is boarded by voluntary action of the owner or as a result of enforcement activity by the City. Exceptions exist to this 90-day requirement, but only if actions are in progress to ensure the building does not contribute to blight. Such exceptions include owner diligence in completing repairs, rehabilitation or construction pursuant to a valid building permit; the property is ready for occupancy and is actively on the market; and because the owner is actively maintaining and monitoring the building so that it does not contribute to blight.

ALH Economics obtained information from City of Alameda staff about code enforcement in Alameda. The most common code enforcement concern is graffiti, with about five cases reported on an average weekly basis. These graffiti displays are typically small, with about one-half on private property and one-half on public property, such as transformers, sidewalks, and phone poles. The cases on private property are typically centered on Webster or Park streets. The City is aggressive regarding graffiti remediation, and reports that most instances of graffiti on private property are remediated within two weeks of being reported. In addition, through the Fire Department, the City manages weed abatement, including implementation of an annual program to go through the city and check for weed problems. This is not seen as a significant issue by the City, given the relative lack of vacant parcels where weeds can accumulate. In addition, the City closely monitors trash dumped in public right-of-ways and on private property. The City cleans up the trash in public right-of-ways and notifies private property owners regarding their clean up responsibilities. These and other code enforcement issues are typically responded to quickly by private property owners. At the extreme the City may need to proceed to threatening property owners with citations, but very rarely do code violations proceed to the point where the City needs to issue such citations.

Fieldwork conducted in October, 2011 suggested that the City's code enforcement measures are successful. There were no visible signs of litter, graffiti, weeds, or rubbish associated with existing commercial nodes and corridors in Alameda. Thus, ALH Economics concludes that existing measures to maintain private commercial property in good condition in the City of Alameda are effective and will serve to preclude the potential for urban decay and deterioration in the event any existing retailers in the City of Alameda close following the operations of the Project and other cumulative retail projects.

Based upon these findings, ALH Economics concludes that the Alameda Landing Project and the identified cumulative projects will not cause or contribute to urban decay.

ASSUMPTIONS AND GENERAL LIMITING CONDITIONS

ALH Urban & Regional Economics has made extensive efforts to confirm the accuracy and timeliness of the information contained in this study. Such information was compiled from a variety of sources, including interviews with government officials, review of City and County documents, and other third parties deemed to be reliable. Although ALH Urban & Regional Economics believes all information in this study is correct, it does not warrant the accuracy of such information and assumes no responsibility for inaccuracies in the information by third parties. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Further, no guarantee is made as to the possible effect on development of present or future federal, state or local legislation, including any regarding environmental or ecological matters.

The accompanying projections and analyses are based on estimates and assumptions developed in connection with the study. In turn, these assumptions, and their relation to the projections, were developed using currently available economic data and other relevant information. It is the nature of forecasting, however, that some assumptions may not materialize, and unanticipated events and circumstances may occur. Therefore, actual results achieved during the projection period will likely vary from the projections, and some of the variations may be material to the conclusions of the analysis.

Contractual obligations do not include access to or ownership transfer of any electronic data processing files, programs or models completed directly for or as by-products of this research effort, unless explicitly so agreed as part of the contract.

APPENDIX A: EXHIBITS

Exhibit 1
Alameda Landing
Estimated Sales per Square Foot
All Target Stores
in 2010 and 2011 Dollars

Description	Amount
All Target Stores (1)	
Net Sales, 2010	$65,786,000,000
Total Square Feet of Retail Stores, 2010	233,618,000
Average Sales Per Square Foot, 2010 Dollars	$282
Average Sales Per Square Foot (2010$s)	$282
Average Sales Per Square Foot (2011$s) (1)	$288

Sources: United States Securities and Exchange Commission, " Target Inc. Annual 10-K Report 2010"; U.S. Bureau of Labor Statistics; and ALH Urban & Regional Economics.

(1) Projections for 2011 are adjusted for inflation from 2010 baseline figures. Inflation is estimated from the Consumer Price Index (CPI) for the Western Region, Urban Consumers published by the U.S. Department of Labor, Bureau of Labor Statistics. An estimate of 2.36 percent is used for mid-year 2011.

Exhibit 2
Alameda Landing
Estimated Alameda Landing Sales
in 2010 and 2011 Dollars

Retail Store or Category	Relevant BOE Category	Estimated Square Feet (1)	Average Sales / SF 2010 (2)	Average Sales / SF 2011 (3)	Estimated Sales 2011	Sales Generated by Market Area Residents (4)
Target Store	Various (5)	140,000	$282 (6)	$288	$40,354,719	$36,319,248
Building Materials	Building Materials & Garden	35,000	$269 (7)	$275	$9,637,390	$8,673,651
Grocery	Food & Beverage Stores	30,000	$535 (8)	$548	$16,429,114	$14,786,203
Apparel & Accessories	Clothing & Clothing Accessories	18,000	$405 (9)	$415	$7,462,196	$6,715,976
Accessories & Beauty Supplies	Other Retail	15,000	$368 (10)	$377	$5,650,387	$5,085,348
Specialty Retail	Other Retail	15,000	$242 (11)	$248	$3,715,744	$3,344,169
Restaurants	Eating and Drinking Places	12,000	$339 (12)	$347	$4,164,090	$3,747,681
Furniture & Home Furnishings	Home Furnishings	10,000	$294 (13)	$301	$3,009,445	$2,708,501
Specialty Food	Eating & Drinking	5,000	$435 (14)	$445	$2,226,375	$2,003,738
Service Retail	Non-Retail	5,000	$0 (15)	$0	$0	$0
Total/Weighted Average		**285,000**		**$331**	**$92,649,461**	**$83,384,515**

Sources: Catellus, Inc.; Target, Inc. Annual 10-K Report 2010; Retail MAXIM's *Alternative Retail Risk Analysis for Alternative Capital,* July 2011; U.S. Bureau of Labor Statistics; and ALH Urban & Regional Economics.

(1) Square footage estimates provided by Catellus, Inc.
(2) Target sales per square foot from Target's 2010 10-K annual report. The other store sales per square foot estimates by type of retailer are for 2010 and are reported by Retail MAXIM.
(3) Projections for 2011 are adjusted for inflation from 2010 figures. Inflation is estimated from the Consumer Price Index (CPI) for the Western Region, Urban Consumers published by the U.S. Department of Labor, Bureau of Labor Statistics. An estimate of 2.36 percent per year is used for mid year 2011.
(4) Alameda Landing market area resdients are anticipated to generate 90% of project sales.
(5) See Exhibit 1 for a breakdown of the relevant BOE categories for Target.
(6) See Exhibit 1.
(7) The sales per square foot assumption is based on the Home Improvement (DIY) retail category as reported by Retail MAXIM.
(8) The sales per square foot assumption is based on the Supermarket retail category as reported by Retail MAXIM.
(9) The sales per square foot assumption is based on the Apparel retail category as reported by Retail MAXIM.
(10) The sales per square foot assumption is based on ULTA, a national cosmetics, fragrance, hair care, skincare, bath and body products, and salon hair care products chain as reported by Retail MAXIM. This store was selected as representative of the store sales category, and not because this chain has been identified as a prospective Alameda Landing tenant.
(11) The sales per square foot assumption is based on representative specialty retail tenants, such as Radio Shack and gifts, hobbies, as reported by Retail MAXIM.
(12) The sales per square foot assumption is based on the Restaurants, Family Dining retail category as reported by Retail MAXIM.
(13) The sales per square foot assumption is based on the Domestics retail category as reported by Retail MAXIM.
(14) The sales per square foot assumption is based on the Coffee/Doughnuts/Bagels retail category as reported by Retail MAXIM.
(15) Non-retail uses are typically banks and other services, for which retail sales are typically not generated.

Exhibit 3
Alameda Landing
Distribution of Target Sales by Retail Category (1)

Target Sales Category (2)	Percent Target Sales Distribution (2)	BOE Sales Categories (3)	Study Distribution of Target Sales (4) Percent	BOE Sales Category
Household essentials (5)	24.0%	Other Retail (pharmacy, personal care)	12.0%	General Merchandise
		General Merchandise	12.0%	Other Retail
Hardlines (6)	20.0%	Other Retail	10.0%	General Merchandise
			10.0%	Other Retail
Apparel and accessories (7)	20.0%	Clothing and Clothing Accessories	10.0%	General Merchandise
			10.0%	Clothing and Clothing Accessories
Home furnishings and décor (8)	19.0%	Home Furnishings and Appliances	9.5%	General Merchandise
			9.5%	Home Furnishings and Appliances
Food and pet supplies (9)	17.0%	Food and Beverage Stores	5.0%	General Merchandise
		Other Retail (pet supplies)	10.0%	Food and Beverage Stores
			2.0%	Other Retail (pet supplies)
	100.0%		100.0%	

Sources: Target, Inc., "2010 Annual Report;" Catellus; and ALH Urban & Regional Economics.

(1) To facilitate the urban decay analysis, Target sales are parsed into the State of California Board of Equalization (BOE) reporting categories.
(2) Sales categories and percentage distribution reported by Target, Inc.
(3) BOE Sales categories matched to Target sales categories.

(4) Sales distribution adjusted to reflect the categories of retail anticipated to experience competitive pressure from Alameda Landing. While the BOE will report all Target sales as general merchandise, competitive pressures will likely be experienced by stores in other retail categories. These percentage allocations were developed assuming that for most categories (excluding food and pet supplies), approximately one-half the sales will be competitive with other general merchandise stores and one-half will be competitive with stores more representative of the dominant retail category. The exception is the Target "Food and pet supplies," category, wherein the remaining one-half not allocated to general merchandise is divided between the Food and Beverage category (approximately three-quarters the balance) and Other Retail (approximately one-quarter the balance). These are assumptions developed by ALH Urban & Regional Economics for the purpose of lending a greater sensitivity to the analysis with respect to the existing retail base.
(5) Household essentials are defined by Target to include pharmacy, beauty, personal care, baby care, cleaning and paper products.
(6) Hardlines are defined by Target to include electronics (including video game hardware and software), music, movies, books, computer software, sporting goods and toys.
(7) Apparel and accessories are defined by Target to include apparel for women, men, boys, girls, toddlers, infants and newborns. The category also includes intimate apparel, jewelry, accessories and shoes.
(8) Home furnishings and décor are defined by Target to include furniture, lighting, kitchenware, small appliances, home décor, bed and bath, home improvement, automotive and seasonal merchandise such as patio furniture and holiday décor.
(9) Food and pet supplies are defined by Target to include dry grocery, dairy, frozen food, beverages, candy, snacks, deli, bakery, meat, produce and pet supplies. Estimates provided by Catellus indicate Target anticipates that 10% of the sales floor area will be devoted to food sales. Thus, the analysis assumes this share of sales comprises food sales. The balance of the space is divided by ALH Economics, assuming 5% for General Merchandise and 2% for Other Retail (pet supplies).

Exhibit 4
Alameda Landing
Estimate of Alameda Landing Store Sales by Category (1)(2)
Sales Generated by Market Area Residents (3)
in 2011 Dollars

Retail Store or Category (3)	Target Store (4)		Building Materials		Grocery Store & Specialty Food		Apparel & Accessories		Beauty Supplies	
	Sales	%	Sales	%	Sales	%	Sales	%	Sales	%
Motor Vehicle and Parts	$0	0.0%	$0	0%	$0	0%	$0	0%	$0	0%
Home Furnishings and Appliances	$3,450,329	9.5%	$0	0%	$0	0%	$0	0%	$0	0%
Building Materials and Garden Equip.	$0	0.0%	$8,673,651	100%	$0	0%	$0	0%	$0	0%
Food and Beverage Stores	$3,631,925	10.0%	$0	0%	$16,789,941	100%	$0	0%	$0	0%
Clothing & Clothing Accessories	$3,631,925	10.0%	$0	0%	$0	0%	$6,715,976	100%	$0	0%
General Merchandise	$16,888,450	46.5%	$0	0%	$0	0%	$0	0%	$0	0%
Food Services and Drinking Places	$0	0.0%	$0	0%	$0	0%	$0	0%	$0	0%
Other Retail Group (5)	$8,716,619	24.0%	$0	0%	$0	0%	$0	0%	$5,085,348	100%
Total Estimated Market Area Sales	**$36,319,248**	**100%**	**$8,673,651**	**100%**	**$16,789,941**	**100%**	**$6,715,976**	**100%**	**$5,085,348**	**100%**

continued on next page

Source: ALH Urban & Regional Economics.

(1) Retail categories to which no sales are allocated are not shown in this exhibit.
(2) Figures may not total due to rounding.
(3) See Exhibit 3 for sales generated by market area residents by retail store or category. The sales generated by market area residents are anticipated to comprise 90% of total Alameda Landing sales.
(4) See Exhibit 2 for anticipated Target store sales distribution.
(5) Other Retail Groups includes sales from art goods, gifts and novelties, sporting goods, florists, photographic equipment and supplies, musical instruments, stationery and books, jewelry, office and school supplies, second-hand merchandise, mobile homes/trailers and campers, boat and motorcycle dealers, and miscellaneous other retail stores.

Exhibit 4
Alameda Landing
Estimate of Store Sales by Category (1)(2)
Sales Generated by Market Area Residents (3)
In 2011 Dollars
(continued)

Retail Store or Category (3)	Specialty Retail Sales	Specialty Retail %	Restaurants Sales	Restaurants %	Furniture & Home Furnishings Sales	Furniture & Home Furnishings %	Total Sales Generated by Market Area Residents
Motor Vehicle and Parts	$0	0%	$0	0%	$0	0%	**$0**
Home Furnishings and Appliances	$0	0%	$0	0%	$2,708,501	100%	**$6,158,829**
Building Materials and Garden Equip.	$0	0%	$0	0%	$0	0%	**$8,673,651**
Food and Beverage Stores	$0	0%	$0	0%	$0	0%	**$20,421,866**
Clothing & Clothing Accessories	$0	0%	$0	0%	$0	0%	**$10,347,901**
General Merchandise	$0	0%	$0	0%	$0	0%	**$16,888,450**
Food Services and Drinking Places	$0	0%	$3,747,681	100%	$0	0%	**$3,747,681**
Other Retail Group (5)	$3,344,169	100%	$0	0%	$0	0%	**$17,146,137**
Total Estimated Market Area Sales	**$3,344,169**	**100%**	**$3,747,681**	**100%**	**$2,708,501**	**100%**	**$83,384,515**

Exhibit 5: Alameda Landing Market Area and Existing Area Target Stores

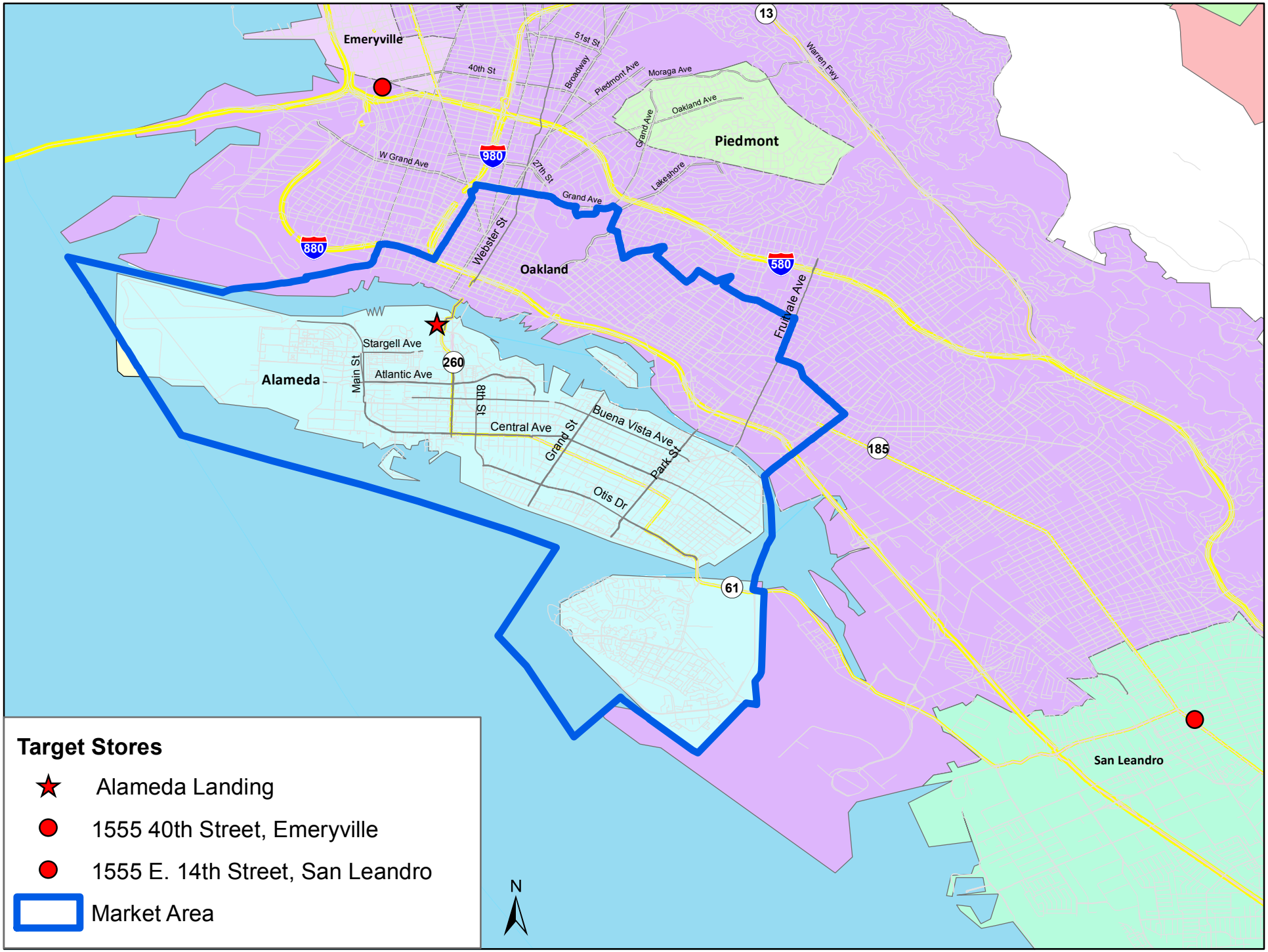

Exhibit 6
Alameda Landing
Household Estimates
Alameda Landing Market Area
2000 and 2010

Geographies	2000 (1)	2010 (2)
Market Area within City of Alameda	30,226	32,351
Market Area within City of Oakland	26,273	32,486
Market Area Total	56,499	64,837

Sources: Claritas, U.S. Census Bureau 2010 Census, and ALH Urban & Regional Economics.

Notes:
(1) 2000 Census Data provided by Claritas.
(2) 2010 Census Data prepared by U.S. Census Bureau.

Exhibit 7
Alameda Landing
City of Alameda Market Area Sales Base
in Current Dollars
Second Half 2009 and First Half 2010

	BOE Taxable Sales Figures					Sales Adjusted to	
Type of Retailer	**Q3 2009**	**Q4 2009**	**Q1 2010**	**Q2 2010**	**Total**	**Taxable Total**	
Motor Vehicle and Parts Dealers	$6,268,000	$8,178,000	$7,869,000	$6,657,000	$28,972,000	$28,972,000	
Home Furnishings and Appliances	$3,431,000	$4,965,000	$2,978,000	$3,027,000	$14,401,000	$14,401,000	
Building Materials and Garden Equip.	$4,159,000	$3,796,000	$3,500,000	$4,322,000	$15,777,000	$15,777,000	
Food and Beverage Stores	$13,937,000	$16,636,000	$13,411,000	$14,244,000	$58,228,000	$194,093,333	(2)
Gasoline Stations	$12,516,000	$11,839,000	$11,830,000	$12,016,000	$48,201,000	$48,201,000	
Clothing and Clothing Accessories	$5,928,000	$7,430,000	$5,508,000	$5,947,000	$24,813,000	$24,813,000	
General Merchandise Stores	(1)	(1)	(1)	(1)	(1)	$15,755,292	(3)
Food Services and Drinking Places	$22,717,000	$22,741,000	$22,124,000	$23,937,000	$91,519,000	$91,519,000	
Other Retail Group	$20,822,000	$24,193,000	$19,719,000	$21,040,000	$85,774,000	$106,872,657	(4)(5)
Total	**$89,778,000**	**$99,778,000**	**$86,939,000**	**$91,190,000**	**$367,685,000**	**$540,404,282**	

Sources: California State Board of Equalization (BOE), "Taxable Sales in California" reports, for Third Quarter 2009, Fourth Quarter 2009, First Quarter 2010, and Second Quarter 2010; Retail MAXIM's *Alternative Retail Risk Analysis for Alternative Capital* , July 2011; and ALH Urban & Regional Economics.

(1) The BOE does not release sales data for all categories due to concerns about confidentiality. Taxable sales in the categories not reported are reflected in the Other Retail Group category.
(2) Sales for Food and Beverage Stores have been adjusted to account for non-taxable sales; only 30 percent of all food store sales are estimated to be taxable.
(3) The BOE does not release General Merchandise sales data for Alameda. Claritas estimates that General Merchandise totals 2.9 percent of total retail sales in Alameda. This calculation was applied to the adjusted taxable total to derive the General Merchandise estimate. The Other Retail Group category was adjusted downward to reflect this estimate.
(4) Sales for Other Retail Group have been adjusted to account for non-taxable drug store sales, since drug store sales are included in the Other Retail Group category. ALH Urban & Regional Economics estimates that 33 percent of drug store sales are taxable, based on discussions with the California BOE and examination of U.S. Census data. In Alameda County, drug store sales in Q3 2009, Q4 2009, Q1 2010 and Q2 2010 represented approximately 15.91 percent of all Other Retail Group sales. ALH Urban & Regional Economics applied that percentage and then adjusted upward for non-taxable sales.
(5) The total sales base is adjusted to exclude estimate Borders store sales, as the Borders store is no longer present in the Alameda retail marketplace. The analysis assumes average store size of 25,000 square feet (pursuant to various internet resources), with average sales of about $180 per square foot per Retail Maxim.

Exhibit 8
Alameda Landing
City of Oakland Taxable and Total Sales Estimates and Portion of Oakland Sales in the Alameda Landing Market Area
in Current Dollars
Second Half 2009 and First Half 2010

	BOE Taxable Sales Adjusted for Total Sales							
	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Total Taxable Sales City of Oakland	Total Retail Sales in City of Oakland	Ratio of Market Area Portion to City (4)	City of Oakland Portion of Market Area Retail Sales
Type of Retailer	[A]	[B]	[C]	[D]	[E = A + B + C + D]	[F]	[G]	[H = G * F]
Motor Vehicle and Parts Dealers	$91,143,000	$76,792,000	$74,481,000	$82,354,000	$324,770,000	$324,770,000	9.7%	**$31,588,162**
Home Furnishings and Appliances	$30,645,000	$40,421,000	$29,786,000	$30,865,000	$131,717,000	$131,717,000	45.6%	**$60,025,028**
Building Materials and Garden Equip.	$44,043,000	$37,381,000	$34,491,000	$39,887,000	$155,802,000	$155,802,000	46.1%	**$71,874,095**
Food and Beverage Stores	$58,633,000	$64,567,000	$55,561,000	$60,451,000	$239,212,000 (1)	$797,373,333	21.1%	**$167,986,075**
Gasoline Stations	$108,168,000	$105,557,000	$107,270,000	$116,880,000	$437,875,000	$437,875,000	2.8%	**$12,329,679**
Clothing and Clothing Accessories	$14,817,000	$17,459,000	$14,789,000	$16,408,000	$63,473,000	$63,473,000	43.8%	**$27,804,552**
General Merchandise Stores	$20,994,000	$25,705,000	$19,446,000	$20,862,000	$87,007,000 (2)	$104,408,400	53.8%	**$56,140,935**
Food Services and Drinking Places	$121,765,000	$120,564,000	$117,142,000	$126,079,000	$485,550,000	$485,550,000	37.3%	**$181,000,148**
Other Retail Group	$69,410,000	$75,019,000	$66,850,000	$70,606,000	$281,885,000 (3)	$417,789,329	23.1%	**$96,487,965**
Total	**$559,618,000**	**$563,465,000**	**$519,816,000**	**$564,392,000**	**$2,207,291,000**	**$2,918,758,062**	**25.6%**	**$705,236,639**

Sources: California State Board of Equalization (BOE), "Taxable Sales in California" reports, for Third Quarter 2009, Fourth Quarter 2009, First Quarter 2010, and Second Quarter 2010; and ALH Urban & Regional Economics.

(1) Sales for Food and Beverage Stores have been adjusted to account for non-taxable sales; only 30 percent of all food store sales are estimated to be taxable.
(2) Sales for General Merchandise Stores have been adjusted to account for non-taxable food sales, since some General Merchandise Store sales include non-taxable food items. ALH Urban & Regional Economics estimates that at least 20 percent of General Merchandise sales are for grocery items that are also non-taxable. This estimate is based on the analyses of the 2007 U.S. Economic Census, which attributes 21 percent of General Merchandise Stores sales to food.
(3) Sales for Other Retail Group have been adjusted to account for non-taxable drug store sales, since drug store sales are included in the Other Retail Group category. ALH Urban & Regional Economics estimates that 33 percent of drug store sales are taxable, based on discussions with the California BOE and examination of U.S. Census data. In Alameda County, drug store sales in Q3 2009, Q4 2009, Q1 2010 and Q2 2010 represented approximately 15.91 percent of all Other Retail Group sales. ALH Urban & Regional Economics applied that percentage and then adjusted upward for non-taxable sales.
(4) See Exhibit B-2 and Exhibit B-4 for the analytical bridge between Claritas retail sale scategories and BOE sales categories.

Exhibit 9
Alameda Landing
Alameda Landing Market Area Retail Sales Base
in Current Dollars
Second Half 2009 and First Half 2010

Type of Retailer	City of Alameda Retail Sales (1) [A]	Retail Sales in Oakland Portion of Market Area (2) [B]	Total Retail Sales in Market Area [C = A + B]
Motor Vehicle and Parts Dealers	$28,972,000	$31,588,162	$60,560,162
Home Furnishings and Appliances	$14,401,000	$60,025,028	$74,426,028
Building Materials and Garden Equip.	$15,777,000	$71,874,095	$87,651,095
Food and Beverage Stores	$194,093,333	$167,986,075	$362,079,408
Gasoline Stations	$48,201,000	$12,329,679	$60,530,679
Clothing and Clothing Accessories	$24,813,000	$27,804,552	$52,617,552
General Merchandise Stores	$15,755,292	$56,140,935	$71,896,227
Food Services and Drinking Places	$91,519,000	$181,000,148	$272,519,148
Other Retail Group	$106,872,657	$96,487,965	$203,360,622
Total	$540,404,282	$705,236,639	$1,245,640,921

Source: ALH Urban & Regional Economics.

(1) See Exhibit 7.
(2) See Exhibit 8.

Exhibit 10
Alameda Landing
Retail Demand, Sales Attraction, and Spending Analysis (1)
City of Alameda
2010
dollars in ($000s)

Type of Retailer	Per Household (2)(3) Spending	Per Household (2)(3) Sales	Alameda Household Demand (4)	Alameda Sales (5)	Retail Sales Attraction/(Leakage) Amount	Retail Sales Attraction/(Leakage) Percent
Motor Vehicles and Parts Dealers	$4,732	$896	$153,092	$28,972	($124,120)	(81.1%)
Home Furnishings and Appliance Stores	$861	$445	$27,855	$14,401	($13,454)	(48.3%)
Building Materials and Garden Equip (4)	$2,618	$488	$84,702	$15,777	($68,925)	(81.4%)
Food and Beverage Stores (5)	$4,927	$6,000	$159,407	$194,093	$34,686	17.9%
Gasoline Stations	$3,254	$1,490	$105,261	$48,201	($57,060)	(54.2%)
Clothing and Clothing Accessories Stores	$1,373	$767	$44,432	$24,813	($19,619)	(44.2%)
General Merchandise Stores (6)	$4,728	$487	$152,952	$15,755	($137,196)	(89.7%)
Food Services and Drinking Places	$3,726	$2,829	$120,553	$91,519	($29,034)	(24.1%)
Other Retail Group (7)	$3,482	$3,443	$112,661	$106,873	($5,788)	(5.1%)
Total	**$29,703**	**$16,844**	**$960,915**	**$540,404**	**($420,510)**	**(43.8%)**

Sources: Claritas; 2010 U.S. Census; and ALH Urban & Regional Economics.

(1) All figures are expressed in constant 2010 dollars.
(2) The household spending estimates were generated by ALH Urban & Regional Economics' Retail Demand, Sales Attraction, and Spending Leakage Analysis.
(3) The household count is estimated at 32,351 per the 2010 U.S. Census. The analysis assumes an average household income in 2010 of $94,785 as estimated by Claritas, Inc.
(4) Building Materials and Garden Equipment includes hardware stores, plumbing and electrical supplies, paint and wallpaper products, glass stores, lawn and garden equipment, and lumber.
(5) Sales for Food and Beverage stores have been adjusted to account for non-taxable sales; only 30 percent of all food store sales are estimated to be taxable.
(6) Sales for General Merchandise stores have been adjusted to account for non-taxable sales.
(7) Other Retail Group includes drugs stores, health and personal care, gifts, art goods and novelties, sporting goods, florists, photographic equipment and supplies, musical instruments, stationary and books, office and school supplies, second-hand merchandise, and miscellaneous other retail stores.

Exhibit 11
Alameda Landing
Retail Demand, Sales Attraction, and Spending Analysis (1)
City of Oakland
2010
dollars in (000s)

Type of Retailer	Per Household (2)(3) Spending	Per Household (2)(3) Sales	Oakland Household Demand (4)	Oakland Sales (5)	Retail Sales Attraction/(Leakage) Amount	Retail Sales Attraction/(Leakage) Percent
Motor Vehicles and Parts Dealers	$4,326	$1,914	$734,208	$324,770	($409,438)	(55.8%)
Home Furnishings and Appliance Stores	$699	$776	$118,652	$131,717	$13,065	9.9%
Building Materials and Garden Equip (6)	$2,142	$918	$363,440	$155,802	($207,638)	(57.1%)
Food and Beverage Stores (7)	$4,411	$4,698	$748,659	$797,373	$48,714	6.1%
Gasoline Stations	$3,013	$2,580	$511,394	$437,875	($73,519)	(14.4%)
Clothing and Clothing Accessories Stores	$1,180	$374	$200,314	$63,473	($136,841)	(68.3%)
General Merchandise Stores (8)	$4,098	$615	$695,487	$104,408	($591,078)	(85.0%)
Food Services and Drinking Places	$3,173	$2,861	$538,409	$485,550	($52,859)	(9.8%)
Other Retail Group (9)	$3,054	$2,462	$518,244	$417,789	($100,455)	(19.4%)
Total	**$26,096**	**$17,199**	**$4,428,807**	**$2,918,758**	**($1,510,049)**	**(34.1%)**

Sources: Claritas; 2010 U.S. Census; and ALH Urban & Regional Economics.

(1) All figures are expressed in constant 2010 dollars.
(2) The household spending estimates were generated by ALH Urban & Regional Economics Retail Demand, Sales Attraction, and Spending Leakage Analysis.
(3) The household count is estimated at 169,710 per the 2010 U.S. Census. The analysis assumes an average household income in 2010 of $73,662 as estimated by Claritas, Inc.
(4) Represents per household spending multiplied by the market area household count.
(5) See Exhibit 8.
(6) Building Materials and Garden Equipment includes hardware stores, plumbing and electrical supplies, paint and wallpaper products, glass stores, lawn and garden equipment, and lumber.
(7) Sales for Food and Beverage stores have been adjusted to account for non-taxable sales; only 30 percent of all food store sales are estimated to be taxable.
(8) Sales for General Merchandise stores have been adjusted to account for non-taxable sales.
(9) Other Retail Group includes drugs stores, health and personal care, gifts, art goods and novelties, sporting goods, florists, photographic equipment and supplies, musical instruments, stationary and books, office and school supplies, second-hand merchandise, and miscellaneous other retail stores.

Exhibit 12
Alameda Landing
Retail Demand, Sales Attraction, and Spending Analysis (1)
Alameda Landing Market Area
2010
dollars in ($000s)

Type of Retailer	Per Household (2)(3) Spending	Per Household (2)(3) Sales	Market Area Household Demand (4)	Market Area Sales (5)	Retail Sales Attraction/(Leakage) Amount	Retail Sales Attraction/(Leakage) Percent
Motor Vehicles and Parts Dealers	$4,300	$934	$278,774	$60,560	($218,214)	(78.3%)
Home Furnishings and Appliance Stores	$689	$1,148	$44,642	$74,426	$29,784	40.0%
Building Materials and Garden Equip (4)	$2,110	$1,352	$136,823	$87,651	($49,172)	(35.9%)
Food and Beverage Stores (5)	$4,378	$5,584	$283,827	$362,079	$78,253	21.6%
Gasoline Stations	$2,998	$934	$194,353	$60,531	($133,823)	(68.9%)
Clothing and Clothing Accessories Stores	$1,168	$812	$75,708	$52,618	($23,090)	(30.5%)
General Merchandise Stores (6)	$4,057	$1,109	$263,029	$71,896	($191,132)	(72.7%)
Food Services and Drinking Places	$3,136	$4,203	$203,341	$272,519	$69,179	25.4%
Other Retail Group (7)	$3,026	$3,206	$196,169	$203,361	$7,192	3.5%
Total	**$25,860**	**$19,281**	**$1,676,664**	**$1,245,641**	**($431,023)**	**(25.7%)**

Sources: Claritas; 2010 U.S. Census; and ALH Urban & Regional Economics.

(1) All figures are expressed in constant 2010 dollars.
(2) The household spending estimates were generated by ALH Urban & Regional Economics' Retail Demand, Sales Attraction, and Spending Leakage Analysis.
(3) The household count is estimated at 64,837 per the 2010 U.S. Census. The analysis assumes an average household income in 2010 of $72,276 as reported by Claritas, Inc.
(4) Building Materials and Garden Equipment includes hardware stores, plumbing and electrical supplies, paint and wallpaper products, glass stores, lawn and garden equipment, and lumber.
(5) Sales for Food and Beverage stores have been adjusted to account for non-taxable sales; only 30 percent of all food store sales are estimated to be taxable.
(6) Sales for General Merchandise stores have been adjusted to account for non-taxable sales.
(9) Other Retail Group includes drugs stores, health and personal care, gifts, art goods and novelties, sporting goods, florists, photographic equipment and supplies, musical instruments, stationary and books, office and school supplies, second-hand merchandise, and miscellaneous other retail stores.

Exhibit 13
Alameda Landing
Time-Adjusted Market Area Retail Sales Base and Sales Attraction/Leakage
2011 Estimate

	Sales Base					Household Demand			Retail Sales Attraction/(Leakage)	
	Alameda Portion		Oakland Portion							
Type of Retailer	2009/2010 (1)	Percent Increase (2)	2009/2010 (3)	Percent Increase (4)	2010/2011 (5)	2009/2010 (6)	Percent Increase (4)	2010/2011 (7)	Amount	Percent
Motor Vehicle and Parts Dealers	$28,972,000	-28.260%	$31,588,162	2.925%	$53,296,638	$278,773,850	2.925%	$286,928,071	($233,631,433)	(81.4%)
Home Furnishings and Appliances	$14,401,000	11.700%	$60,025,028	2.925%	$77,866,696	$44,641,820	2.925%	$45,947,607	$31,919,089	41.0%
Building Materials and Garden Equip.	$15,777,000	14.524% (8)	$71,874,095	2.925%	$92,044,930	$136,822,861	2.925%	$140,824,972	($48,780,041)	(34.6%)
Food and Beverage Stores	$194,093,333	6.861%	$167,986,075	2.925%	$380,309,796	$283,826,787	2.925%	$292,128,808	$88,180,988	23.2%
Gasoline Stations	$48,201,000	51.080%	$12,329,679	51.080%	$91,449,749	$194,353,371	2.925%	$200,038,267	($108,588,518)	(54.3%)
Clothing and Clothing Accessories	$24,813,000	26.400%	$27,804,552	2.925%	$59,981,476	$75,707,617	2.925%	$77,922,088	($17,940,612)	(23.0%)
General Merchandise Stores	$15,755,292	3.311%	$56,140,935	2.925%	$74,060,024	$263,028,544	2.925%	$270,722,210	($196,662,186)	(72.6%)
Food Services and Drinking Places	$91,519,000	6.521%	$181,000,148	2.925%	$283,781,413	$203,340,630	2.925%	$209,288,406	$74,493,006	26.3%
Other Retail Group	$106,872,657	3.311%	$96,487,965	2.925%	$209,721,478	$196,168,889	2.925%	$201,906,890	$7,814,589	3.7%
Total	$540,404,282		$705,236,639		$1,322,512,201	$1,676,664,369		$1,725,707,319	($403,195,118)	(23.4%)

Sources: City of Alameda quarterly sales tax reports prepared by Hinderliter de Llamas, for Q2 2011; U.S. Bureau of Labor Statistics; and ALH Urban & Regional Economics.

(1) See Exhibit 7.
(2) Increases based on increases in Q2 2010 to Q2 2011sales tax collection data for the City of Alameda, pursuant to trend data generated by Hinderliter de Llamas, the City's tax consultant. If specific category data were unavailable the generalized consumer goods rate of increase of 3.311% is applied. See exception for Building Materials and Garden Equip. in footnote (8).
(3) See Exhibit 8.
(4) Estimated increase in sales is based upon CPI index. This is a likely conservative assumption given noted sales increases in Alameda over the same time period. Gas sales are assumed to increase comparable to the rate noted in Alameda.
(5) Estimated sales based upon the respective percent increase assumptions by geographic portion of sales base.
(6) See Exhibit 12.
(7) Estimated increase in demand based upon CPI Index.
(8) In June 2010 an 8,322-square-foot Pagano's Hardware store opened in the South Shore Center. As the bulk of these sales were not reflected in the 2009/2010 sales base, an estimate of store sales is manually included in the analysis. Based on the $275 building materials sales per square foot figure in Exhibit 2 this sales estimate is $2,291,496. Adding these sales is equivalent to a 14.524% increase in the sales base.

Exhibit 14
Alameda Landing
Potential Alameda Landing Market Area Sales Impacts
2011

Type of Retailer	Project Sales Generated by Market Area Residents (1) [A]	Market Area Sales Base (2) [B]	Market Area Leakage: Market Area Leakage (2) [C]	Market Area Leakage: Incremental Alameda Leakage (3) [D]	Market Area Leakage: Potential Project Recapture (4) [E]	Market Area Sales Impact: Amount [F = A - E]	Market Area Sales Impact: Percent of Sales Base [G = F / B]
Motor Vehicles and Parts Dealers	$0	$53,296,638	($233,631,433)	$0	N/A	$0	0.0%
Home Furnishings and Appliance Stores	$6,158,829	$77,866,696	$0	($12,584,244)	($6,158,829)	$0	0.0%
Building Materials and Garden Equip (4)	$8,673,651	$92,044,930	($48,780,041)	$0	($8,673,651)	$0	0.0%
Food and Beverage Stores (5)	$20,421,866	$380,309,796	$0	$0	N/A	$20,421,866	5.4%
Gasoline Stations	$0	$91,449,749	($108,588,518)	$0	N/A	$0	0.0%
Clothing and Clothing Accessories Stores	$10,347,901	$59,981,476	($17,940,612)	$0	($5,173,951)	$5,173,951	8.6%
General Merchandise Stores (6)	$16,888,450	$74,060,024	($196,662,186)	$0	($16,888,450)	$0	0.0%
Food Services and Drinking Places	$3,747,681	$283,781,413	$0	($26,591,787)	($3,747,681)	$0	0.0%
Other Retail Group (7)	$17,146,137	$209,721,478	$0	($5,545,149)	($2,772,575)	$14,373,562	6.9%
Total	**$83,384,515**	**$1,322,512,201**	**($605,602,790)**	**($44,721,180)**	**($43,415,136)**	**$39,969,378**	**3.0%**

Sources: Claritas; 2010 U.S. Census; and ALH Urban & Regional Economics.

(1) See Exhibit 2.
(2) See Exhibit 13.
(3) Derived from figures in Exhibits 10 and 13, i.e., the sales base is adjusted for time pursuant to Exhibit 13 data points and demand from Exhibit 10 is adjusted based on the consumer price index as noted in Ex
(4) Potential Project leakage recapture figures are based upon assumptions prepared by ALH Urban & Regional Economics. The assumptions vary by category, depending upon the nature of the prospective Project tenant, the type of existing market area retailers, and the likelihood that retailers outside the market area will continue to attract sales from the market area retailers due to their brand, national orientation, or regional prevalence. Both leakage for the market area and Alameda are considered, but only Alameda leakage in categories where such leakage exists or exceeds the amount identified for the market area, under the assumption that the Oakland portion of the market area is not absorbing all of Alameda's leakage, but instead attracts sales from outside the identified area of the City of Oakland.

Exhibit 15
Alameda Landing
Planned Residential Developments
City of Alameda and Oakland Portion of the Alameda Landing Market Area
October and November

	Project	Description	Status	Notes	Location	Number of Units	Expected Opening/ Completion
City of Alameda							
1.	Alameda Landing	77-acre mixed use residential, retail, office and open space development of the former Navy Fleet Industrial Supply Center.	Entitled	25% Affordable Units. Construction scheduled to start mid to end 2013.	Mariner Square Loop & Willie Stargell Ave.	300	2015
2.	Boatworks	9.48-acre, mixed use development that includes 156, single family residential units and 26 multi-family units.	Approved	156 Market Rate Units and 26 Affordable Units.	2229 Clement Ave.	182	Unknown
3.	Harbor Bay Complex	Residential development and redesign of Harbor Bay Chuck Corica golf complex with construction of athletic fields.	Planned	In early stages of obtaining public feedback about proposed development.	Island Drive and Clubhouse Memorial Road	130	Unknown
4.	Alameda Mariner	Rehabilitation of former Islander Motel. Construction includes a new office building and community room.	Approved	100% Affordable. Construction scheduled to start January 2012.	2428 Central Avenue	61	Late 2012
5.	Grand Marina Village	Residential development of single family detached homes.	Under Construction	Three Affordable Units.	Grand Street and the Grand Marina	40	2012
				Total Planned Residential Units in Alameda		**713**	

continued on the next page

Exhibit 15
Alameda Landing
Planned Residential Developments
City of Alameda and Oakland Portion of the Alameda Landing Market Area
October and November
(continued)

	Project	Description	Status	Notes	Location	Number of Units	Expected Opening/ Completion
Oakland Portion of the Market Area							
6	Oak to Ninth Mixed Use	The project is part of a new planned waterfront zoning district comprising 64.2 acres and has the potential for 3,100 residential units, 200,000 square feet of commercial space (which would include neighborhood serving retail), 3,950 structured parking spaces, 29.9 acres public open space, 2 renovated marinas; 170 boat slips, and a wetlands restoration area.	Approved	The Lawrence Berkeley Lab is also a potential tenant for the space. If this occurs, the retail use would then change to more community-serving space.	Waterfront site bounded by Fallon Street, Embarcadero Road, 10th Ave., and the Oakland Estuary	3,100	2015
7.	Fruitvale Village Phase II	This is the second phase of a multifamily residential development which includes 275 residential units and a parking garage.	Approved		Block bounded by 35th and 37th Avenues, East 12th Street and BART tracks	275	2013+
8.	Cathedral Gardens	The project is the rehabilitation of the Rectory building into 100 affordable housing units and is estimated to break ground in Spring 2012.	Approved	Affordable housing units	2126 Martin Lither King Jr. Way and 616-620 21st Street	100	2013
9.	2647 International Blvd	Rehabilitation of the historic building. Phase I completed – 84 units for elderly residential use and community commercial space; Current Phases II & III – 62 residential units; Future Phase IV: up to 18 residential units.	Approved		2647 International Blvd	80	2013+
10.	116 6th Street	The project comprises 70 affordable senior apartment units.	Under Construction	Affordable housing units	116 6th Street	70	2012
11.	720 E 11th Street	55 affordable units	Under Construction	Affordable housing units	720 E 11th Street	55	2012
12.	1431 Jefferson Street	The project comprises 54 residential units and 3,000 square feet of ground floor commercial.	Approval 07/09/08		1431 Jefferson Street	54	N/A
			Total Planned Residential Units in Oakland Portion of Market Area			**3,734**	

Sources: City of Alameda Planning Department; City of Oakland Planning Department; and ALH Urban & Regional Economics.

Exhibit 16
Alameda Landing
Estimated Household Demand for Retail
Market Area
2011 Dollars

Retail Category (1)	Average Household Retail Spending 2011 (2)
Motor Vehicles and Parts Dealers	$4,425
Home Furnishings and Appliance Stores	$709
Building Materials and Garden Equip	$2,172
Food and Beverage Stores	$4,506
Clothing and Clothing Accessories Stores	$1,202
General Merchandise Stores	$4,175
Food Services and Drinking Places	$3,228
Other Retail Group	$3,114
Total	**$23,531**

Sources: Exhibit 12; and ALH Urban & Regional Economics.

(1) Excludes Gasoline Stations as they are not a component of Alameda Landing.
(2) Average Household Retail Spending dollars are for the market area as shown in Exhibit 12, and adjusted based on the CPI Index.

Exhibit 17
Alameda Landing
Cumulative Major Retail Developments (10,000+ Square Feet)
Within and Near the Market Area
October 2011

	Project	City	Description	Estimated Net New Retail Square Footage	Status	Location	Distance from Alameda Landing (Miles)	Expected Opening/ Completion
Market Area								
1.	Oak to Ninth Mixed Use	Oakland	The project is part of a new planned waterfront zoning district comprising 64.2 acres and has the potential for 3,100 residential units, 200,000 square feet of commercial space (which would include neighborhood serving retail), 3,950 structured parking spaces, 29.9 acres public open space, 2 renovated marinas; 170 boat slips, and a wetlands restoration area. The Lawrence Berkeley Lab is also a potential tenant for the space, the retail use would then change to more community serving).	200,000 (1)	Approved	Waterfront site bounded by Fallon Street, Embarcadero Road, 10th Ave., and the Oakland Estuary	2.0	2015
2.	Jack London Square Redevelopment	Oakland	Master Plan- 1.2 million S.F. of mixed-use retail, commercial, and office. The remaining phase of the project, includes a 140,000-square-foot office building, 250-room hotel, an eight-story, 155,000-	10,000	Approved Site	Alice, 2nd, and Harrison Streets, and Embarcadero	2.2	N/A
3.	CVS and Retail	Alameda	This project includes demolition of a former Chevrolet dealership. New construction of a 10,000-square foot CVS store. Project would replace the existing store at 2314 Santa Clara Avenue. Project	6,600 (2)	Pre-application	Park Street and Tilden	2.9	N/A
4.	Kaiser Center	Oakland	This project includes demolition of 280,000 square feet, construction of 2 new towers: one 42-stories with 780,000 square feet of office space and one 34-stories with 565,000 square feet of office space, and potentially 22,000 square feet of retail.	22,000	Approved	300 Lakeside Drive	3.0	N/A
5.	Victory Court Ballpark Development	Oakland	This project is on a 22-acre site and proposes up to a 39,000-seat MLB ballpark, 180,000 square feet of retail, 540,000 square feet of office space, and 700 residential units. Retail tenants will likely include entertainment, food, and drinks to serve ballpark patrons.	180,000	DEIR preparation underway.	Victory Court Site located between Oak Street, Lake Merritt Channel, I-880, and Embarcadero	3.1	N/A

continued on the next page

Exhibit 17
Alameda Landing
Cumulative Major Retail Developments (10,000+ Square Feet)
Within and Near the Market Area
October 2011
(continued)

	Project	City	Description	Estimated Net New Retail Square Footage	Status	Location	Distance from Alameda Landing (Miles)	Expected Opening/ Completion
Bordering the Market Area								
6.	Valdez & 23rd Street Project	Oakland	This project includes 281 residential units, 500 car parking structure, including 250 public spaces, and potential space for 12,000 square feet of retail.	12,000	Extension granted January 2009	Valdez and 23rd Street	3.0	N/A
7.	Mandela Transit Village	Oakland	This project contains 120 residential units and 38,500 square feet commercial.	38,500	Approval is valid through December 31, 2011	1357 5th Street	3.0	N/A
8.	Macarthur BART Transit Village	Oakland	This is an affordable housing and redevelopment project located on 6.84 acres adjacent to the BART station. The project comprises 624 residential units, 42,500 square feet of retail/commercial space, and surface parking.	42,500	Under Construction	W. MacArthur Boulevard, Telegraph Avenue, 40th Street, and Highway 24	3.7	2020

Sources: Planning Departments in the cities of Alameda, and Oakland; Jayphares-Corporation, "Foothill Square Redevelopment Project Description"; San Francisco Business Journal, "Pulse Quickens on Oakland Waterfront," July 2011; and ALH Urban & Regional Economics.

(1) According to the planner, the 200,000 square feet of commercial space would not likely consist of all retail; however, to be conservative, ALH Urban & Regional Economics is allocating all of the space to retail.
(2) This project would replace an existing store, resulting in an estimated net increment of new retail space for the 6,600 square feet of neighborhood serving retail.

Exhibit 18
Alameda Landing
Sales Estimates for Cumulative Projects
in 2011 Dollars (1)

Project Name (2)	City	Distance from Alameda Landing (Miles)	Estimated Sq. Ft. (3)	Sales per Sq. Ft.	Total Sales	Estimated Market Area Sales
			[A]	[B]	[C = A * B]	[D = A * % MA Sales]
Market Area						
1. Oak to Ninth Mixed Use	Oakland	2.0	200,000	$360 (4)	$72,000,000	$14,400,000 (5)
2. Jack London Square Redevelopment	Oakland	2.2	10,000	$360 (4)	$3,600,000	$1,080,000 (6)
3. CVS Retail	Alameda	2.9	6,600	$444 (7)	$2,930,400	$1,465,200 (8)
4. Kaiser Center	Oakland	3.0	This project is excluded from the cumulative project sales estimate because the project timing is not within a comparable timeframe as the Alameda Landing Project.			
5. Victory Court Ballpark	Oakland	3.1	180,000	$360 (4)	$64,800,000	$6,480,000 (9)
Bordering the Market Area						
6. Valdez & 23rd Street Project	Oakland	3.0	12,000	$444 (7)	$5,328,000	$532,800 (9)
7. Mandela Transit Village	Oakland	3.0	38,500	$444 (7)	$17,094,000	$1,709,400 (9)
8. Macarthur BART Transit	Oakland	3.7	42,500	$444 (7)	$18,870,000	$1,887,000 (9)
Total			**489,600**		**$184,622,400**	**$27,554,400**

Source: ALH Urban and Regional Economics.

(1) Projects with an undetermined timeline are too speculative to include their sales in this analysis, as well as projects that are too far from the Site and too small to be considered competitive.
(2) The project numbers match the numbers in Exhibit 17.
(3) See Exhibit 17.
(4) Average sales per square foot for the generalized average of Other Retail and Neighborhood retail categories.
(5) ALH Urban & Regional Economics estimates that 20 percent of sales for this project will be attributed to consumers residing inside the Alameda Landing market area.
(6) ALH Urban & Regional Economics estimates that 30 percent of sales for this project will be attributed to consumers residing inside the Alameda Landing market area.
(7) Average sales per square foot for the Neighborhood Center retail Category as reported by Retail MAXIM.
(8) ALH Urban & Regional Economics estimates that 50 percent of sales for this project will be attributed to consumers residing inside the Alameda Landing market area.
(9) ALH Urban & Regional Economics estimates that 10 percent of sales for this project will be attributed to consumers residing inside the Alameda Landing market area.

Exhibit 19
Alameda Landing
Estimate of Cumulative Projects Sales by BOE Category (1)
in 2011 Dollars

Planned Store Type	Estimated Market Area Sales (2)	Home Furnishings and Appliance Stores	Building Materials and Garden Equip	Food and Beverage Stores	Clothing and Clothing Accessories Stores	General Merchandise Stores	Food Services and Drinking Places	Other Retail Group
Market Area								
1. Oak to Ninth Mixed Use (3)	$14,400,000	$0	$720,000	$3,600,000	$720,000	$5,040,000	$2,160,000	$2,160,000
2. Jack London Redevelopment (4)	$1,080,000	$0	$0	$0	$0	$0	$0	$1,080,000
3. CVS Retail (5)	$1,465,200	$0	$0	$586,080	$0	$293,040	$293,040	$293,040
4. Victory Court Ballpark (6)	$6,480,000	$648,000	$0	$648,000	$972,000	$648,000	$1,944,000	$1,620,000
Bordering the Market Area								
5. Valdez & 23rd Street Project (5)	$532,800	$0	$0	$213,120	$0	$106,560	$106,560	$106,560
6. Mandela Transit Village (5)	$1,709,400	$0	$0	$683,760	$0	$341,880	$341,880	$341,880
7. Macarthur BART Transit (5)	$1,887,000	$0	$0	$754,800	$0	$377,400	$377,400	$377,400
Total	**$27,554,400**	**$648,000**	**$720,000**	**$6,485,760**	**$1,692,000**	**$6,806,880**	**$5,222,880**	**$5,978,880**
Percent of Total	**100%**	**2%**	**3%**	**24%**	**6%**	**25%**	**19%**	**22%**

Source: ALH Urban & Regional Economics.

(1) Retail categories to which no sales are allocated are not shown in this exhibit.
(2) See Exhibit 18.
(3) Allocations estimated by ALH Urban & Regional Economics, see Exhibit B-5.
(5) Figures may not total due to rounding.

Exhibit 20
Potential Sales Impacts from Cumulative Projects, Including Alameda Landing
Alameda Landing Market Area
in 2011 Dollars

Retail Category	Cumulative Project Sales from Market Area Residents			Market Area Leakage				Market Area Sales Impact	
	Alameda Landing (1)	Other Cumulative Projects (2)	Total Cumulative Projects	Market Area Sales Base (3)	Market Area Leakage (3)	Incremental Alameda Leakage (4)	Potential Project Recapture (5)	Amount	Percent of Sales Base
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H = C + G]	[I = H / D]
Motor Vehicle and Parts Dealers	$0	$0	$0	$53,296,638	($233,631,433)	$0	N/A	$0	0.0%
Home Furnishings and Appliances	$6,158,829	$648,000	$6,806,829	$77,866,696	$0	($12,584,244)	($6,806,829)	$0	0.0%
Building Materials and Garden Equip.	$8,673,651	$720,000	$9,393,651	$92,044,930	($48,780,041)	$0	($9,393,651)	$0	0.0%
Food and Beverage Stores	$20,421,866	$6,485,760	$26,907,626	$380,309,796	$0	$0	N/A	$26,907,626	7.1%
Gasoline Stations	$0	$0	$0	$91,449,749	($108,588,518)	$0	N/A	$0	0.0%
Clothing and Clothing Accessories	$10,347,901	$1,692,000	$12,039,901	$59,981,476	($17,940,612)	$0	($6,621,946)	$5,417,955	9.0%
General Merchandise Stores	$16,888,450	$6,806,880	$23,695,330	$74,060,024	($196,662,186)	$0	($23,695,330)	$0	0.0%
Food Services and Drinking Places (6)	$3,747,681	$5,222,880	$8,970,561	$283,781,413	$0	($26,591,787)	($4,040,721)	$4,929,840	1.7%
Other Retail Group	$17,146,137	$5,978,880	$23,125,017	$209,721,478	$0	($5,545,149)	($2,772,575)	$20,352,442	9.7%
Total	**$83,384,515**	**$27,554,400**	**$110,938,915**	**$1,322,512,201**	**($605,602,790)**	**($44,721,180)**	**($53,331,051)**	**$57,607,863**	**4.4%**

Source: ALH Urban & Regional Economics.

(1 See Exhibit 4.
(2) See Exhibit 19.
(3) See Exhibit 13.
(4) See Exhibit 14.
(5) Potential Project leakage recapture figures are based upon assumptions prepared by ALH Urban & Regional Economics. The assumptions vary by category, depending upon the nature of the prospective Project tenant, the type of existing market area retailers, and the likelihood that retailers outside the market area will continue to attract sales from the market area retailers due to their brand, national orientation, or regional prevalence. Both leakage for the market area and Alameda are considered, but only Alameda leakage in categories where such leakage exists or exceeds the amount identified for the market area, under the assumption that the Oakland portion of the market area is not absorbing all of Alameda's leakage, but instead attracts sales from outside the identified area of the City of Oakland.
(6) Restaurant leakage recapture is increased by the incremental cumulative project restaurant sales anticipated to be generated by market area residents for the Alameda project. This project is assumed to absorb leakage generated by Alameda residents. The other projects are not anticipated to as directly serve Alameda residents.

Exhibit 21
Alameda Landing
City of Alameda Vacancy Trends
2006 Through Q3 2011

	Rentable Building Area						Leasing Activity		New Construction			
Period	# Bldgs	Total SF	Vacant SF	Percent Vacant	Occupied SF	Total Net Absorption	Total Deals	Total SF Leased	Number Delivered	RBA Delivered	# Under Const	RBA Under Const
2011 3Q	429	3,019,176	197,481	6.5%	2,821,695	(3,206)	5	6,356	0	0	0	0
2011 2Q	429	3,019,176	194,275	6.4%	2,824,901	1,766	6	16,560	0	0	0	0
2011 1Q	429	3,019,176	196,041	6.5%	2,823,135	(4,929)	6	6,203	0	0	0	0
2010 4Q	429	3,019,176	191,112	6.3%	2,828,064	28,194	13	21,923	0	0	0	0
2010 3Q	429	3,019,176	219,306	7.3%	2,799,870	27,620	5	7,975	0	0	0	0
2010 2Q	429	3,019,176	246,926	8.2%	2,772,250	(8,079)	15	64,631	0	0	0	0
2010 1Q	429	3,019,176	238,847	7.9%	2,780,329	4,958	13	49,369	0	0	0	0
2009 4Q	430	3,021,648	246,277	8.2%	2,775,371	(13,065)	7	7,682	0	0	0	0
2009 3Q	430	3,021,648	233,212	7.7%	2,788,436	(19,305)	5	8,266	0	0	0	0
2009 2Q	430	3,021,648	213,907	7.1%	2,807,741	6,164	4	6,771	0	0	0	0
2009 1Q	430	3,021,648	220,071	7.3%	2,801,577	(19,151)	5	11,798	1	2,325	0	0
2008 4Q	429	3,019,323	198,595	6.6%	2,820,728	(9,444)	5	37,696	0	0	1	2,325
2008 3Q	429	3,019,323	189,151	6.3%	2,830,172	(48,662)	3	2,500	0	0	1	2,325
2008 2Q	429	3,019,323	140,489	4.7%	2,878,834	9,689	9	90,017	0	0	0	0
2008 1Q	429	3,019,323	150,178	5.0%	2,869,145	43,724	7	14,705	2	52,967	0	0
2007 4Q	427	2,966,356	140,935	4.8%	2,825,421	14,195	2	5,389	0	0	2	52,967
2007 3Q	427	2,966,356	155,130	5.2%	2,811,226	(4,501)	4	10,097	0	0	2	52,967
2007 2Q	426	2,962,512	146,785	5.0%	2,815,727	14,311	3	6,931	0	0	2	8,537
2007 1Q	426	2,962,512	161,096	5.4%	2,801,416	(3,252)	20	48,029	2	9,202	1	3,844
2006 4Q	425	2,957,154	152,486	5.2%	2,804,668	47,660	2	2,864	1	58,977	1	5,358
2006 3Q	424	2,898,177	141,169	4.9%	2,757,008	29,498	1	28,000	0	0	2	64,335
2006 2Q	423	2,894,794	167,284	5.8%	2,727,510	(35,339)	4	3,651	0	0	3	67,718
2006 1Q	423	2,894,794	131,945	4.6%	2,762,849	26,476	3	5,378	4	39,195	3	67,718

Source: Costar; and CB Richard Ellis.

Exhibit 22
Alameda Landing
City of Oakland Vacancy Trends
2006 Through Q3 2011

	Rentable Building Area						Leasing Activity		New Construction			
Period	# Bldgs	Total SF	Vacant SF	Percent Vacant	Occupied SF	Total Net Absorption	Total Deals	Total SF Leased	Number Delivered	RBA Delivered	# Under Const	RBA Under Const
2011 3Q	3,139	22,383,779	846,307	3.8%	21,537,472	64,702	27	38,275	0	0	1	10,367
2011 2Q	3,151	22,422,195	949,425	4.2%	21,472,770	23,640	25	55,440	0	0	1	10,367
2011 1Q	3,181	22,555,379	1,106,249	4.9%	21,449,130	(169,837)	32	51,283	0	0	0	0
2010 4Q	3,181	22,555,379	936,412	4.2%	21,618,967	11,773	22	48,202	0	0	0	0
2010 3Q	3,181	22,555,379	948,185	4.2%	21,607,194	915	15	28,666	0	0	0	0
2010 2Q	3,181	22,555,379	949,100	4.2%	21,606,279	(10,179)	26	63,451	1	14,740	0	0
2010 1Q	3,181	22,548,515	932,057	4.1%	21,616,458	(3,299)	37	60,699	1	4,974	1	14,740
2009 4Q	3,180	22,543,541	923,784	4.1%	21,619,757	148,311	36	67,643	2	11,720	2	19,714
2009 3Q	3,178	22,531,821	1,060,375	4.7%	21,471,446	(27,784)	31	65,918	2	40,430	4	31,434
2009 2Q	3,177	22,493,555	994,325	4.4%	21,499,230	(82,604)	44	74,386	1	10,000	5	57,124
2009 1Q	3,177	22,498,058	916,224	4.1%	21,581,834	(295,030)	30	62,728	2	6,062	6	67,124
2008 4Q	3,176	22,494,193	617,329	2.7%	21,876,864	195,064	12	41,703	2	193,874	5	56,492
2008 3Q	3,172	22,296,455	614,655	2.8%	21,681,800	69,262	23	51,588	0	0	9	254,230
2008 2Q	3,174	22,357,223	744,685	3.3%	21,612,538	(114,064)	13	27,925	0	0	7	248,168
2008 1Q	3,174	22,357,223	630,621	2.8%	21,726,602	53,352	16	18,794	4	27,781	3	224,304
2007 4Q	3,172	22,333,306	660,056	3.0%	21,673,250	(4,486)	25	80,356	1	2,425	4	63,397
2007 3Q	3,170	22,328,975	651,239	2.9%	21,677,736	113,272	16	36,313	2	26,177	6	67,728
2007 2Q	3,167	22,192,798	628,334	2.8%	21,564,464	140,401	2	24,798	0	0	6	178,082
2007 1Q	3,165	22,186,898	762,835	3.4%	21,424,063	157,817	9	45,472	7	186,388	8	183,982
2006 4Q	3,164	22,308,089	1,041,843	4.7%	21,266,246	(44,526)	10	40,063	0	0	10	228,293
2006 3Q	3,164	22,308,089	997,317	4.5%	21,310,772	(18,194)	2	6,439	1	28,875	5	72,913
2006 2Q	3,161	22,269,620	940,654	4.2%	21,328,966	4,104	5	13,526	0	0	5	98,112
2006 1Q	3,161	22,269,620	944,758	4.2%	21,324,862	251,931	9	16,181	7	250,152	3	38,469

Source: Costar; and CB Richard Ellis.

Exhibit 23
Alameda Landing
Recent Lease Transactions
City of Alameda
October 2010 to October 2011

Leasing Activity Report - Alameda

10/11/2010 to 10/11/2011

Building Address Building/Park Name Submarket City	RBA Typical Floor Building Type Class	SF Leased Sign Date Move Date Expiration Date	Rent Paid/mo Space Use/Type Mailing Suite Leased Floor #s	Leasing Company / Phone Leasing Company Brokers Tenant Rep / Phone Tenant Rep Brokers	Tenant Name Transaction Type
901 Marina Village Pky Bldg C,Marina Village Shopping Center Alameda Alameda, CA 94501	8,000 SF - Retail/Freestanding -	2,103 SF 11/02/2010 01/01/2011 -	$2.15/nnn(est) Retail/Direct - 1	TRI Commercial / CORFAC International / 415-268-2200 Valerie Villaraza-Steele - -	Dollar City Move In
1700-1710 Lincoln Ave - Alameda Alameda, CA 94501	10,522 SF 10,522 SF Retail/Storefront -	2,100 SF 12/02/2010 01/01/2011 12/31/2015	$1.55/mg(est) Retail/Direct - 1	Harbor Bay Realty / 510-523-1144 Richard Krinks Harbor Bay Realty / 510-523-1144 Richard Krinks	Alameda Yoga Move In
1200 Lincoln Ave Market Spot Alameda Alameda, CA 94501	4,410 SF 4,410 SF Retail/Convenience Store -	2,000 SF 12/02/2010 01/01/2011 12/31/2015	$0.85/nnn Retail/Direct - 1	Peter Cho / 510-301-9031 Peter Cho - -	Luong's Meat Market Move In
1303 Lincoln Ave - Alameda Alameda, CA 94501	2,771 SF 1,385 SF Retail -	1,000 SF 01/19/2011 01/19/2011 -	$1.10/mg(est) Retail/Direct - 1	Kin & Lavinia Llc / 510-865-3132 Kin Li - -	- Move In
2212-2216 Shore Ctr Bldg 700,Alameda South Shore Center Alameda Alameda, CA 94501	37,580 SF 37,580 SF Retail/Freestanding -	1,400 SF 01/30/2011 03/01/2011 -	$2.67/nnn(est) Retail/Direct - 1	Cornish & Carey Commercial Newmark Knight Frank / 415-445-8888 Julie Taylor, Stephen Rusher - -	Sprint Move In
2000-2008 Encinal Ave - Alameda Alameda, CA 94501	6,000 SF 6,000 SF Retail -	1,500 SF 03/02/2011 04/01/2011 -	$2.00/+util(est) Off/Ret/Direct - 1	Mike Yue / 510-582-3469 Mike Yue - -	Green Grass Learning Center Move In

Leasing Activity Report - Alameda

10/11/2010 to 10/11/2011

Building Address Building/Park Name Submarket City	RBA Typical Floor Building Type Class	SF Leased Sign Date Move Date Expiration Date	Rent Paid/mo Space Use/Type Mailing Suite Leased Floor #s	Leasing Company / Phone Leasing Company Brokers Tenant Rep / Phone Tenant Rep Brokers	Tenant Name Transaction Type
1070 Marina Village Pky Marina Village Alameda Alameda, CA 94501	16,826 SF 8,413 SF Retail/Storefront Retail/Office -	803 SF 03/09/2011 03/09/2011 03/08/2012	- Office/Direct - 2	SRM Associates / 510-217-5400 Kathryn Luck - -	- Move In
1353-1355 Park St - Alameda Alameda, CA 94501	3,784 SF 3,784 SF Retail/Storefront -	1,500 SF 03/11/2011 04/01/2011 03/31/2016	$3.17/+util Retail/Direct - 1	Preferred Properties of California / 510-473-3997 John Parten - -	Spice I am Move In
3211 Encinal Ave - Alameda Alameda, CA 94501	10,963 SF 10,963 SF Retail/Supermarket -	1,200 SF 04/01/2011 05/01/2011 -	$1.04/mg(est) Retail/Direct - 1	OMM, Inc. / 510-522-8074 Jan Mason - -	- Move In
2001-2009 High St High Street Bridge Center,High Street Bridge Center Alameda Alameda, CA 94501	8,797 SF 9,961 SF Retail/Storefront Retail/Office -	4,800 SF 04/15/2011 05/01/2011 10/31/2011	$1.46/nnn Retail/Direct - 1	Gallagher & Lindsay Property Management, LLC / 510-522-3322 Barbara Henry - -	- Move In
1533 Webster St - Alameda Alameda, CA 94501	5,100 SF 5,100 SF Retail/Storefront -	5,100 SF 05/10/2011 07/09/2011 -	$1.25/mg(est) Retail/Direct - 1	BC Realty / 510-835-8888 Bonnie Chui - -	About Beauty Move In
2508 Santa Clara Ave - Alameda Alameda, CA 94501	2,240 SF 2,240 SF Retail/Freestanding -	2,240 SF 05/10/2011 06/09/2011 06/08/2014	$1.34/nnn Retail/Direct - 1	Thomason Properties / 510-521-1403 Fred Runnion - -	See Spot Run Move In

Leasing Activity Report - Alameda

10/11/2010 to 10/11/2011

Building Address Building/Park Name Submarket City	RBA Typical Floor Building Type Class	SF Leased Sign Date Move Date Expiration Date	Rent Paid/mo Space Use/Type Mailing Suite Leased Floor #s	Leasing Company / Phone Leasing Company Brokers Tenant Rep / Phone Tenant Rep Brokers	Tenant Name Transaction Type
1701-1703 Webster St - Alameda Alameda, CA 94501	3,537 SF 3,537 SF Retail/Storefront -	1,800 SF 05/13/2011 06/12/2011 06/11/2012	$1.22/fs(est) Off/Ret/Direct - 1	Gallagher & Lindsey Rentals / 510-521-8181 Melanie Snell - -	- Move In
1336-1364 Park St 1336-1364 Park Street Alameda Alameda, CA 94501	47,256 SF 13,088 SF Retail/Freestanding -	1,420 SF 06/23/2011 07/23/2011 07/22/2016	$2.75/nnn Retail/Direct - 1	Park Street Properties Llc / 510-864-1354 Lucinda Scanlon Century 21 Earnest Realty / 626-289-3505 Kelly Tran	Happy Feet Children's Shoes Move In
1412-1416 Park St - Alameda Alameda, CA 94501	4,764 SF 4,764 SF Retail/Storefront -	970 SF 07/05/2011 07/05/2011 -	- Retail/Direct - 1	Hansen & Company / 925-256-0736 Mona Hansen - -	- Move In
1545-1553 Webster St - Alameda Alameda, CA 94501	8,451 SF 4,225 SF Retail/Storefront Retail/Office -	800 SF 07/15/2011 08/15/2011 08/31/2014	$1.47/fs Retail/Direct - 1	Gallagher & Lindsey Rentals / 510-521-8181 Mario Mariani Gallagher & Lindsey Rentals / 510-521-8181 Mario Mariani	Red Wagon Collectibles Move In
1701-1703 Webster St - Alameda Alameda, CA 94501	3,537 SF 3,537 SF Retail/Storefront -	1,800 SF 07/25/2011 08/01/2011 09/30/2016	$1.29/nnn Retail/Direct - 1	Gallagher & Lindsey Rentals / 510-521-8181 Andrea Guyette - -	- Move In
930-934 Central Ave - Alameda Alameda, CA 94501	5,674 SF 2,837 SF Retail/Storefront Retail/Residential -	1,000 SF 07/25/2011 07/25/2011 -	$1.27/mg(est) Retail/Direct - 1	Harbor Bay Realty / 510-523-1144 Alex Mak - -	Rise Integrated Health & Fitness Move In

Leasing Activity Report - Alameda

10/11/2010 to 10/11/2011

Building Address Building/Park Name Submarket City	RBA Typical Floor Building Type Class	SF Leased Sign Date Move Date Expiration Date	Rent Paid/mo Space Use/Type Mailing Suite Leased Floor #s	Leasing Company / Phone Leasing Company Brokers Tenant Rep / Phone Tenant Rep Brokers	Tenant Name Transaction Type
2681 Blanding Ave	5,358 SF	1,786 SF	$2.45/nnn(est)	CBRE / 408-453-7400	-
Bldg F,Bridgeside Shopping Center	2,198 SF	08/04/2011	Retail/Direct	Rick Shaffer, Eric Stokes	Move In
Alameda	Retail	09/03/2011	-	-	
Alameda, CA 94501	-	-	1	-	

APPENDIX B: SUPPORT EXHIBITS

Exhibit B-1
Alameda Landing
Market Area Definition
2000 and 2010 Constituent Census Tracts and City Match (1)

2000 Census Tracts		2010 Census Tracts	
Census Tract	City	Census Tract	City
4271.00	Alameda	4271.00	Alameda
4272.00	Alameda	4272.00	Alameda
4273.00	Alameda	4273.00	Alameda
4274.00	Alameda	4287.00	Alameda
4275.00	Alameda		
4276.00	Alameda	4276.00	Alameda
4277.00	Alameda	4277.00	Alameda
4278.00	Alameda	4278.00	Alameda
4279.00	Alameda	4279.00	Alameda
4280.00	Alameda	4280.00	Alameda
4281.00	Alameda	4281.00	Alameda
4282.00	Alameda	4282.00	Alameda
4283.01	Alameda	4283.01	Alameda
4283.02	Alameda	4283.02	Alameda
4284.00	Alameda	4284.00	Alameda
4285.00	Alameda	4285.00	Alameda
4286.00	Alameda	4286.00	Alameda
4020.00	Oakland	9820.00	Oakland
4028.00	Oakland	4028.00	Oakland
4029.00	Oakland	4029.00	Oakland
4030.00	Oakland	4030.00	Oakland
4031.00	Oakland	4031.00	Oakland
4032.00	Oakland	9832.00	Oakland
4033.00	Oakland	4033.00	Oakland
4034.00	Oakland	4034.00	Oakland
4053.00	Oakland	4053.01	Oakland
		4053.02	Oakland
4054.00	Oakland	4054.01	Oakland
		4054.02	Oakland
4055.00	Oakland	4055.00	Oakland
4058.00	Oakland	4058.00	Oakland
4059.00	Oakland	4059.01	Oakland
		4059.02	Oakland
4060.00	Oakland	4060.00	Oakland
4061.00	Oakland	4061.00	Oakland
4062.01	Oakland	4062.01	Oakland
4062.02	Oakland	4062.02	Oakland
4063.00	Oakland	4063.00	Oakland
4072.00	Oakland	4072.00	Oakland

Sources: U.S. Census Bureau: and ALH Urban & Regional Economics.

(1) For data retrieval purposes it is necessary to identify both the 2000 and 2010 census tracts for the market area.

Exhibit B-2
Alameda Landing
Translation of Claritas Retail Sales Categories to BOE Categories
Portion of Market Area within City of Oakland
in 2010 Constant Dollars (millions)

Claritas Sales Category	Claritas Retail Sales 2010 2010 $'s	BOE Category
Motor Vehicle & Parts Dealers		
- Automotive Dealers	$28.9	**Motor Vehicles & Parts**
- Other Motor Vehicle Dealers	$6.2	
- Automotive Parts, Accessories, & Tire Stores	$14.0	
Furniture & Home Furnishings Stores		**Home Furnishings & Appliances**
- Furniture Stores	$31.7	
- Home Furnishing Stores	$8.9	
Electronics & Appliance Stores		
- Appliance, Television, and Other Electronics	$18.8	
- Household Appliances Stores	$1.9	
- Radio Television and Other Electronics	$16.9	
- Computer and Software Stores	$34.7	
- Camera & Photographic Equipment Stores	$0.3	
Building Material & Garden Equipment & Supply Dealers		
- Building Material & Supply Dealers	$117.7	
- Home Centers	$86.2	**Building Materials and Garden Equip. & Supplies**
- Paint and Wallpaper Stores	$0.0	
- Hardware Stores	$7.4	
- Other Building Materials Dealers	$24.1	
- Building Materials, Lumberyards	$9.4	
- Lawn and Garden Equipment and Supplies	$1.0	
- Outdoor Power Equipment Stores	$0.5	
- Nursery and Garden Centers	$0.5	
Food & Beverage Stores		
- Grocery Stores	$194.9	
- Supermarkets and Other Grocery Stores	$190.9	**Food and Beverage Stores**
- Convenience Stores	$4.0	
- Speciality Food Stores	$20.1	
- Beer, Wine, & Liquor Stores	$15.6	
Health & Personal Care Stores		
- Pharmacies and Drug Stores	$58.8	
- Cosmetics, Beauty Supplies and Perfume Stores	$2.9	
- Optical Goods Stores	$1.1	**Other Retail Group**
- Other Health and Personal Care Stores	$3.4	
Gasoline Stations		
- Gasoline Stations with Convenience Stores	$0.0	**Service Stations**
- Other Gasoline Stations	$11.1	
Clothing & Clothing Accessories Stores		
- Clothing Stores	$21.2	
- Men's Clothing Stores	$5.6	
- Women's Clothing Stores	$5.6	**Clothing & Clothing Accessories**
- Children's and Infants' Clothing Stores	$0.5	
- Family Clothing Stores	$2.3	
- Clothing Accessories Stores	$1.2	
- Other Clothing Stores	$5.9	
- Shoe Stores	$6.0	
- Jewelry, Luggage, & Leather Goods Stores	$15.4	
- Jewelry Stores	$15.4	
- Luggage, & Leather Goods Stores	$0.0	

Exhibit B-2
Alameda Landing
Translation of Claritas Retail Sales Categories to BOE Categories
Portion of Market Area within City of Oakland
In 2010 Constant Dollars (Millions)

Claritas Sales Category	Claritas Retail Sales 2010 2010 $'s	BOE Category
Sporting Goods, Hobby, Book, & Music Stores		
- Sporting Goods, Hobby, & Musical Instruments	$8.3	
- Sporting Goods Stores	$2.9	
- Hobby, Toys and Games Stores	$2.2	
- Sew, Needlework, Piece Goods Stores	$0.9	
- Musical Instrument and Supplies Stores	$2.4	**Other Retail Group**
- Book, Periodical, & Music Stores	$3.5	
- Book Stores and News Dealers	$2.3	
- Book Stores	$2.0	
- News Dealers and Newsstands	$0.2	
- Prerecorded Tape, Compact Disc, & Records	$1.2	
General Merchandise Stores		
- Department Stores excluding Leased Dept Stores	$23.2	**General Merchandise Stores**
- Other General Merchandise Stores	$111.2	
Miscellaneous Store Retailers		
- Florists	$1.8	
- Office Supplies, Stationery, & Gift Stores	$6.9	
- Office Supplies and Stationery Stores	$3.1	**Other Retail Group**
- Gift, Novelty, and Souvenir Stores	$3.8	
- Used Merchandise Stores	$6.5	
- Other Miscellaneous Store Retailers	$9.6	
Non-store Retailers	$93.3	**Other Retail Group**
Foodservice & Drinking Places		
- Full-Service Restaurants	$90.4	**Food Services & Drinking Places**
- Limited-service Eating Places	$75.4	
- Special Foodservices	$13.9	
- Drinking Places - Alcoholic Beverages	$10.3	
TOTAL RETAIL STORES	**$1,066.7**	

Calculations	
BOE Category	**In Millions**
Motor Vehicles & Parts	$49.0
Home Furnishings and Appliances	$94.4
Building Materials and Garden Equip	$118.7
Food and Beverage Stores	$230.6
Gasoline Stations	$11.1
Clothing and Clothing Accessories	$42.6
General Merchandise	$134.3
Food Services and Drinking Places	$189.9
Other Retail Group	$196.0
Retail Total	**$1,066.7**

Sources: Claritas; State of California Board of Equalization; and ALH Urban & Regional Economics.

Exhibit B-3
Alameda Landing
Translation of Claritas Retail Sales Categories to BOE Categories
City of Oakland
in 2010 Constant Dollars (millions)

Claritas Sales Category	Claritas Retail Sales 2010 2010 $'s	BOE Category
Motor Vehicle & Parts Dealers		
- Automotive Dealers	$437.8	**Motor Vehicles & Parts**
- Other Motor Vehicle Dealers	$15.6	
- Automotive Parts, Accessories, & Tire Stores	$50.9	
Furniture & Home Furnishings Stores		**Home Furnishings & Appliances**
- Furniture Stores	$89.0	
- Home Furnishing Stores	$29.8	
Electronics & Appliance Stores		
- Appliance, Television, and Other Electronics	$39.5	
- Household Appliances Stores	$8.4	
- Radio Television and Other Electronics	$31.2	
- Computer and Software Stores	$42.0	
- Camera & Photographic Equipment Stores	$6.8	
Building Material & Garden Equipment & Supply Dealers		
- Building Material & Supply Dealers	$249.8	
- Home Centers	$105.6	**Building Materials and Garden Equip. & Supplies**
- Paint and Wallpaper Stores	$9.3	
- Hardware Stores	$42.4	
- Other Building Materials Dealers	$92.5	
- Building Materials, Lumberyards	$36.2	
- Lawn and Garden Equipment and Supplies	$7.5	
- Outdoor Power Equipment Stores	$0.8	
- Nursery and Garden Centers	$6.7	
Food & Beverage Stores		
- Grocery Stores	$970.6	
- Supermarkets and Other Grocery Stores	$945.1	**Food and Beverage Stores**
- Convenience Stores	$25.5	
- Speciality Food Stores	$58.2	
- Beer, Wine, & Liquor Stores	$65.9	
Health & Personal Care Stores		
- Pharmacies and Drug Stores	$268.7	
- Cosmetics, Beauty Supplies and Perfume Stores	$10.6	
- Optical Goods Stores	$3.1	**Other Retail Group**
- Other Health and Personal Care Stores	$19.4	
Gasoline Stations		
- Gasoline Stations with Convenience Stores	$292.7	**Service Stations**
- Other Gasoline Stations	$99.9	
Clothing & Clothing Accessories Stores		
- Clothing Stores	$61.4	
- Men's Clothing Stores	$8.1	
- Women's Clothing Stores	$21.6	**Clothing & Clothing Accessories**
- Children's and Infants' Clothing Stores	$7.4	
- Family Clothing Stores	$13.6	
- Clothing Accessories Stores	$2.9	
- Other Clothing Stores	$7.7	
- Shoe Stores	$12.0	
- Jewelry, Luggage, & Leather Goods Stores	$24.0	
- Jewelry Stores	$24.0	
- Luggage, & Leather Goods Stores	$0.1	

Exhibit B-3
Alameda Landing
Translation of Claritas Retail Sales Categories to BOE Categories
City of Oakland
In 2010 Constant Dollars (Millions)

Claritas Sales Category	Claritas Retail Sales 2010 2010 $'s	BOE Category
Sporting Goods, Hobby, Book, & Music Stores		
- Sporting Goods, Hobby, & Musical Instruments	$29.5	
- Sporting Goods Stores	$18.0	
- Hobby, Toys and Games Stores	$6.2	
- Sew, Needlework, Piece Goods Stores	$1.9	
- Musical Instrument and Supplies Stores	$3.4	**Other Retail Group**
- Book, Periodical, & Music Stores	$16.7	
- Book Stores and News Dealers	$8.9	
- Book Stores	$8.5	
- News Dealers and Newsstands	$0.3	
- Prerecorded Tape, Compact Disc, & Records	$7.9	
General Merchandise Stores		
- Department Stores excluding Leased Dept Stores	$103.1	**General Merchandise Stores**
- Other General Merchandise Stores	$146.7	
Miscellaneous Store Retailers		
- Florists	$6.1	
- Office Supplies, Stationery, & Gift Stores	$29.3	
- Office Supplies and Stationery Stores	$12.7	**Other Retail Group**
- Gift, Novelty, and Souvenir Stores	$16.6	
- Used Merchandise Stores	$28.3	
- Other Miscellaneous Store Retailers	$29.2	
Non-store Retailers	$408.0	**Other Retail Group**
Foodservice & Drinking Places		
- Full-Service Restaurants	$227.5	**Food Services & Drinking Places**
- Limited-service Eating Places	$213.7	
- Special Foodservices	$44.5	
- Drinking Places - Alcoholic Beverages	$23.8	
TOTAL RETAIL STORES	**$4,161.4**	

Calculations	
BOE Category	**In Millions**
Motor Vehicles & Parts	$504.3
Home Furnishings and Appliances	$207.1
Building Materials and Garden Equip	$257.4
Food and Beverage Stores	$1,094.7
Gasoline Stations	$392.6
Clothing and Clothing Accessories	$97.3
General Merchandise	$249.8
Food Services and Drinking Places	$509.5
Other Retail Group	$848.8
Retail Total	**$4,161.4**

Sources: Claritas; State of California Board of Equalization; and ALH Urban & Regional Economics.

Exhibit B-4
Alameda Landing
Project Market Area Retail Sales within City of Oakland
In 2010 Dollars

Type of Retailer	Claritas Retail Sales Estimates for 2010 (1): Retail Sales Within Oakland Portion of Market Area (2) [A]	Total Retail Sales in City of Oakland (3) [B]	Sales Ratio [C = A / B]
Motor Vehicles & Parts	$49,047,051	$504,271,533	9.7%
Home Furnishings and Appliances	$94,368,420	$207,079,039	45.6%
Building Materials and Garden Equip	$118,721,357	$257,353,152	46.1%
Food and Beverage Stores	$230,618,950	$1,094,670,503	21.1%
Gasoline Stations	$11,054,558	$392,590,487	2.8%
Clothing and Clothing Accessories	$42,636,176	$97,331,041	43.8%
General Merchandise	$134,327,701	$249,816,651	53.8%
Food Services and Drinking Places	$189,924,740	$509,491,060	37.3%
Other Retail Group	$196,037,020	$848,833,065	23.1%
Total	**$1,066,735,973**	**$4,161,436,531**	**25.6%**

Sources: Claritas, Inc.; California State Board of Equalization; and ALH Urban & Regional Economics.

(1) Claritas data are in 2010 dollars. See Appendix B-2 and B-3 for translation of Claritas to BOE categories.
(2) See Exhibit B-2.
(3) See Exhibit B-3.

Exhibit B-5
Allocations of Unknown Retail Space into BOE Categories by Shopping Center Format (1)

Format	Motor Vehicles and Parts Dealers	Home Furnishings and Appliance Stores	Building Materials and Garden Equip	Food and Beverage Stores	Gasoline Stations	Clothing and Clothing Accessories Stores	General Merchandise	Food Services and Drinking Places	Other Retail
Neighborhood Centers	0%	0%	0%	40%	0%	0%	20%	20%	20%
Community Centers	0%	0%	5%	25%	0%	5%	35%	15%	15%
Power Centers	0%	5%	10%	15%	0%	10%	45%	5%	10%
Regional Malls	0%	10%	0%	0%	0%	30%	35%	5%	20%
Lifestyle Centers	0%	10%	0%	10%	0%	15%	10%	30%	25%

Sources: International Council of Shopping Centers (ICSC), U.S. Shopping Center Definitions, July 2011 (http://www.icsc.org/srch/lib/SC_TYPES.pdff); and ALH Urban & Regional Economics.

(1) ALH Urban & Regional Economics estimates for typical shopping center formats were developed based on ICSC shopping center classification criteria.

APPENDIX C: FIRM INTRODUCTION

FIRM HISTORY, SELECT QUALIFICATIONS, AND RESUME

FIRM INTRODUCTION

ALH Urban & Regional Economics (ALH Economics) is a recently formed sole proprietorship devoted to providing urban and regional economic consulting services to clients throughout California. Until early summer 2011, Amy L. Herman, Principal of ALH Economics, was a Senior Managing Director with CBRE Consulting in San Francisco, a division of the real estate services firm CB Richard Ellis. CBRE Consulting was the successor name of Sedway Group, a well established urban economic and real estate consulting firm acquired by CB Richard Ellis in the late 1990s. Ms. Herman's tenure with Sedway Group and then CBRE Consulting's land use and economics practice totaled more than 20 years. During that time Ms. Herman established a strong professional network and client base providing a range of services such as economic development and redevelopment, market feasibility analysis, fiscal and economic impact analysis, location analysis, strategic planning, and policy analysis. Ms. Herman's client base includes governmental clients, transportation agencies, corporations, environmental consultants, educational and health institutions, non-profits, and developers.

In early 2011, CBRE chose to restructure the land use and economics practice area within CBRE Consulting. Ms. Herman took this opportunity to establish her own firm, through which she can continue to serve her existing client base and expand her practice in areas that suit her professional and personal interests. Examples of clients with whom ALH Economics is already under contract include the University of California at Berkeley, LSA Associates, Jack Faucett Associates, Hanna Novato, LLC, Terry Margerum & Associates, Raney Planning and Management, Inc., During Associates, Lamphier-Gregory, California Gold Corp., Sedway Consulting, University of California at Riverside, Arcadia Development Co., and Catellus.

During her tenure with CBRE Consulting Ms. Herman developed a strong practice area involving the conduct of urban decay analyses as part of the environmental review process for projects with major retail components. A description of these services and recent projects follows. Also included are select examples of other economic impact studies conducted by Ms. Herman during her tenure with CBRE Consulting.

EXPERIENCE CONDUCTING RETAIL URBAN DECAY STUDIES

Description of Services

The Principal of ALH Economics, Amy L. Herman, has performed economic impact and urban decay studies for a number of retail development projects in California. These studies have generally been the direct outcome of the 2004 court ruling *Bakersfield Citizens for Local Control ("BCLC") v. City of Bakersfield* (December 2004) 124 Cal.App.4th 1184, requiring environmental impacts analyses to take into consideration the potential for a retail project as well as other cumulative retail projects to contribute to urban decay in the market area served by the project. Prior to the advent of the Bakersfield court decision, Ms. Herman managed these studies for project developers or retailers, typically at the request of the host city, or sometimes for the city itself. Following the Bakersfield decision, the studies have most commonly been directly commissioned by the host cities or environmental planning firms conducting Environmental Impact Reports (EIRs) for the projects. Studies are often conducted as part of the EIR process, but also in response to organized challenges to a city's project approval or to Court decisions ruling that additional analysis is required.

The types of high volume retail projects for which these studies have been conducted include single store developments, typically comprising a Walmart Store, The Home Depot, Lowe's Home Improvement Warehouse, or Target store (including SuperTarget). The studies have also been conducted for large retail shopping centers, typically anchored by one or more of the preceding stores, but also including as much as 300,000 to 400,000 square feet or more of additional retail space with smaller anchor stores and in-line tenants.

The scope of services for these studies includes numerous tasks. The basic tasks common to most studies include the following:

- defining the project and estimating sales for the first full year of operations
- identifying the market area
- identifying and touring existing competitive market area retailers
- evaluating existing retail market conditions at competitive shopping centers and along major commercial corridors in the market area
- conducting retail demand, sales attraction, and spending leakage analyses for the market area and other relevant areas
- forecasting future retail demand in the market area
- researching the retail market's history in backfilling vacated retail spaces
- assessing the extent to which project sales will occur to the detriment of existing retailers (i.e., diverted sales)
- determining the likelihood existing competitive and nearby stores will close due to sales diversions attributable to the project
- researching planned retail projects and assessing cumulative impacts
- identifying the likelihood the project's economic impacts and cumulative project impacts will trigger or cause urban decay.

Many studies include yet additional tasks, such as assessing the project's impact on downtown retailers; determining the extent to which development of the project corresponds with city public policy, redevelopment, and economic development goals; projecting the fiscal benefits relative to the host city's General Plan; forecasting job impacts; analyzing wages relative to the existing retail base; and assessing potential impacts on local social service providers.

Recent Projects, Past 3 Years

High volume retail projects for which Ms. Herman has prepared economic impact and urban decay studies during just the past three years are listed below. This includes studies for projects that have successfully navigated the public approvals process or are currently in progress. Projects are listed alphabetically by the California city in which they are located. These projects represent a range of entitlement success, from projects already completed to projects lacking certified EIRs.

- Apple Valley, Walmart Superstore, 240,000 square feet plus 9,000 square feet of additional retail, replacing existing Walmart Discount Store, EIR certified, engaged in the legal process
- Bakersfield, Bakersfield Commons, totaling 1.2 million square feet of lifestyle retail space and 400,000 square feet of community shopping center space, EIR Certified and project approved
- Bakersfield, Crossroads Shopping Center, totaling 786,370 square feet, anchored by a Target, EIR Certified and project approved

- Bakersfield, Silver Creek Plaza, anchored by a WinCo Foods, totaling 137,609 square feet, EIR Certified and project approved
- Concord, Lowe's Commercial Shopping Center, totaling 334,112 square feet, anchored by a Lowe's Home Improvement Warehouse and a national general merchandise store; EIR Certified December 2008 with no subsequent legal challenge; store opened January 2010
- Eureka, Eureka Balloon Track Development, totaling 327,500 square feet of retail space, anchored by Home Depot, EIR certified, engaged in the legal process
- Fairfield, Green Valley Plaza, totaling 465,000 square feet; EIR certified and project approved, not yet under construction
- Fresno, Fresno 40, totaling 209,650 square feet, project approved and beyond legal challenge
- Hesperia, Main Street Marketplace, totaling 465,000 square feet, anchored by a Walmart Superstore and a Home Depot, EIR certified but engaged in the legal process
- Kern County, Rosedale and Renfro, totaling 228,966 square feet, anchored by a Target, EIR Certified and project approved
- Livingston, Blueberry Crossing, totaling 273,225 square feet, anchored by a large general merchandise store, project environmental process on hold
- Menlo Park, Beverages & More, 8,788-square-foot store opened February 2011
- Milpitas, Walmart Superstore, 17,640-square-foot expansion to existing Walmart; EIR certified by the Planning Commission but not by the City Council
- Novato, Hanna Ranch, Novato, Hanna Ranch, mixed-use project including 44,621 square feet of retail space, 21,190 square feet of office space, and a 116-room hotel; DEIR out for public review
- Oroville, Walmart Superstore, 213,400 square feet, replacing existing Walmart Discount Store, EIR certified but engaged in the legal process
- Palo Alto, Stanford Shopping Center, 240,000-square-foot expansion; project withdrawn by applicant
- San Francisco, Candlestick Point, 635,000 square feet of regional retail and Hunters Point, with two, 125,000-square-foot neighborhood shopping centers; EIR certified but engaged in the legal process for reasons not associated with CBRE Consulting's work effort
- Santa Rosa, Lowe's Home Improvement Store, 155,454 square feet plus 9,000 square of pad space; EIR not certified
- Sonora, Lowe's Home Improvement Warehouse, 111,196 square feet; store opened December 2010
- Ukiah, Walmart Superstore, 47,621-square-foot expansion to existing Walmart, DEIR out for public review
- Vallejo, WinCo grocery store, 71,393 square feet; FEIR under preparation

There have been yet numerous other comparable studies conducted by Ms. Herman in California locations prior to the past three years. These also include projects located in Adelanto, American Canyon, Carlsbad, Chico, Citrus Heights, Gilroy, Hercules, Madera, Rancho Cordova, Sacramento, San Jose, Victorville, West Sacramento, and Willows.

EXPERIENCE CONDUCTING OTHER ECONOMIC IMPACT STUDIES

Following are description of other economic impact studies managed by Ms. Herman. These studies have been performed under a range of circumstances, including for existing institutions seeking to demonstrate their local and regional impacts to new development projects seeking public approvals.

These studies were all initiated during Ms. Herman's tenure with CBRE Consulting; however, Ms. Herman is continuing to provide services to some of these projects through ALH Economics.

- *University of California at San Diego/Economic Impact Analysis*. Ms. Herman managed a study of the economic impacts of UC San Diego on the City of San Diego, San Diego County, and the State of California. Financial data gathered from the University and companies started by alumni and faculty were used to estimate economic benefits in terms of spending, employment, and personal income. A model was developed to analyze these impacts using IMPLAN input-output multipliers. The model was provided to UC San Diego for their use in analyzing these impacts going forward. Select qualitative economic impacts were also analyzed and include UC San Diego's extensive contribution to the regional workforce, cultural opportunities, and community development efforts. Specifically, the community benefits associated with the medical and health sectors include medical training, significant research spending on health issues, and healthcare for local residents.

- *Kaiser Permanente/Lancaster Medical District Economic Impact Analysis*. Ms. Herman managed a study of the economic impacts of a planned Kaiser Medical District in Lancaster, California. The facility is planned as part of a larger development area and will serve the growing Antelope Valley. The economic impacts associated with the hospital and medical office buildings include both one-time benefits from construction and on-going operational benefits. The quantifiable benefits include new jobs and income, increased local spending by Kaiser, and spending by new Kaiser employees. The Kaiser Medical District will also likely result in significant economic development impacts such as an increase in the annual community contributions in the region, establishment of local medical training programs and job recruitment, and attraction of adjacent real estate development.

- *Forest City Enterprises/Economic Impact Analysis*. Ms. Herman conducted an economic impact analysis for a planned mixed-use development project in downtown Fresno, California. Ms. Herman estimated the one-time benefits associated with this project including the number of direct construction period jobs, indirect jobs associated with the development effort, and construction worker spending in the local community. Similarly, on-going benefits were estimated to include on-site project management jobs, retail sales generated by project residents, and direct and indirect jobs generated by on-site retail spending. These benefits were analyzed on a local and regional level. Some of the qualitative benefits associated with green construction and operation were also analyzed, such as increasing the local knowledge base and the creation of a green cluster.

- *Lawrence Berkeley National Laboratory/Economic Impact Study*. Ms. Herman has twice conducted an economic impact analysis demonstrating the benefits of Lawrence Berkeley National Laboratory ("Berkeley Lab") to the City of Berkeley, the Bay Area region, and the State of California. The study was also intended to be useful to Berkeley Lab in the process of preparing its Long Range Development Plan. The study focused on job generation, wages, and local and regional spending. The analysis culminated in a brief memorandum of findings, as well as an Excel-based economic impact model for Berkeley Lab's future use that was designed to update itself automatically with annual inputs provided by LBL. Recent updates to this study have been used as a springboard to analysis of the Lab's planned second Bay Area campus, for which Ms. Herman participated in public meetings.

- *Regents of the University of California at Berkeley/Berkeley Art Museum and Pacific Film Archive Economic Impact Analysis*. The Regents of the University of California at Berkeley is planning to

relocate the University's Berkeley Art Museum and Pacific Film Archive (BAM and PFA) to a signature building designed by a world-renowned architect in Downtown Berkeley near the gateway to the University campus. The project will be a focal point of Berkeley's evolving Arts District. The plan calls for 118,000 square feet, including 2,500 square feet for retail, an 88-space parking garage, two film screening rooms, 12 galleries, a café, and rooftop gardens. The Exhibition space is 32,760 square feet. Ms. Herman conducted an economic impact analysis of the new facility upon completion. The economic impacts analyzed construction period and on-going impacts on the City of Berkeley, Alameda and Contra Costa counties, and the Bay Area region. The on-going impacts were based upon visitorship projections prepared for the study, forecasted local visitor spending, and anticipated BAM and PFA local spending on payroll as well as goods and services pursuant to analysis of historic spending patterns. They study additionally included qualitative analysis of the spin-off benefits of the new facility, including revitalization of Downtown Berkeley, increasing exposure for local retailers and restaurants, and accelerating growth in residential development.

- *Transbay Joint Powers Board/Economic Impact of Transbay Development Program*. Ms. Herman conducted economic impact analysis of select components of the proposed new Transbay Terminal and the associated Transbay Terminal Redevelopment Project Area. This included analysis of the operations of the Terminal and the impacts of the new riders attracted into San Francisco due to expansion of the Terminal's capacity, the downtown extension of Caltrain, and the potential addition of High-Speed Rail service. In anticipation of this major redevelopment effort, the City of San Francisco Redevelopment Agency created a Transbay Redevelopment Project Area calling for an extensive commercial and residential development program. The analysis therefore also projected the economic impacts associated with the construction and operations of this program, which included 3,378 residential units, 765,000 square feet of office space, 40,516 square feet of retail space, and a 1,000-room hotel. The analysis was conducted for a static time period, representing estimated stabilization of the various operations, in the year 2020.

- *University of California at Riverside/Economic Impact Analysis*. Ms. Herman conducted an economic impact analysis of the UC Riverside campus and its research centers. The purpose of the study was for the University to demonstrate its impacts on the local Riverside community, the surrounding region, and beyond, as well demonstrate as its leadership role. These impacts include tangible benefits such as job generation, wages, and local and regional spending, as well as intangible benefits such as cultural opportunities, intellectual stimulation, and volunteer work. The study was especially relevant to the University's anticipated Long Range Development Plan (LRDP), both in terms of the University's economic benefits and potential negative impacts. The geographies reflected in the study included the City of Riverside, Riverside County, the Inland Empire, the State of California, and the nation. The study also included baseline analysis of a new Palm Desert campus, with the Heckman Center for Entrepreneurial Management, home of the University's MPB program. A model update to this analysis in process includes expansion of the University's impacts to the national level.

ALH | ECON

ALH Urban & Regional Economics

PROFESSIONAL PROFILE

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OTHER CLIENTS PREVIOUSLY SERVED

- A.G. Spanos Companies
- Bohannon Development Company
- Essex Property Trust
- Forest City Enterprises
- Gresham Savage Nolan & Tilden
- Lawrence Berkeley National Laboratory
- Lennar
- Merlone Geier Partners
- Michael Brandman Associates
- Mills Corporation
- City of Mountain View
- Port of San Francisco
- The Presidio Trust
- Pulte Homes
- Santa Clara Valley Transportation Authority
- City of Santa Rosa
- Shea Properties
- Sheppard Mullin Richter & Hampton LLP
- Simon Property Group
- The Sobrato Organization
- Southbay Development
- City of Sunnyvale
- Sunset Development Co.
- Transbay Joint Powers Authority
- University of Phoenix
- Westfield Corporation

Amy L. Herman, Principal of ALH Urban & Regional Economics, has provided urban and regional consulting services for almost 30 years. During this time she has been responsible for directing assignments for corporate, institutional, non-profit, and governmental clients in key service areas, including fiscal and economic impact analysis, economic development and redevelopment, feasibility analysis, location analysis, strategic planning, policy analysis, and transit-oriented development. Her award-winning economic development work has been recognized by the American Planning Association, the California Redevelopment Association, and the League of California Cities.

Prior to forming ALH Urban & Regional Economics, Ms. Herman's professional tenure included 20 years with Sedway Group, inclusive of its acquisition by CB Richard Ellis and subsequent name change to CBRE Consulting. Her prior professional work experience includes 5 years in the Real Estate Consulting Group of the now defunct accounting firm Laventhol & Horwath (L&H), preceded by several years with the real estate consulting firm Land Economics Group, which was acquired by L&H.

Following are descriptions of select consulting assignments managed by Ms. Herman during the course of her career.

ECONOMIC DEVELOPMENT AND REDEVELOPMENT

City of Morgan Hill. Reviewed the City's economic development practices and compared them with "best practices" to other competitive Bay Area cities.

Solano County Cities. Managed a regional labor market study for Solano County cities designed to enhance the recognition of Solano County's competitiveness as a business location to prospective businesses and corporate site selectors.

City of San Jose Redevelopment Agency. Prepared a study analyzing the costs and benefits associated with creating a bioscience incentive zone in the Edenvale industrial redevelopment area.

City of Lake Forest. Prepared a commercial revitalization plan for the El Toro Corridor, including strategies to attract retail tenants, improve design standards, and create a community focal point. Led a series of community workshops and assessed the existing retail market.

City of Palo Alto. Conducted a retail study targeting six of Palo Alto's retail business districts for revitalization, including the identification of barriers to revitalization and recommended strategies tailored to the priorities established for each of the individual target commercial areas.

East Bay Municipal Water District. Managed economic, demographic, and real estate data analysis in support of developing market-sensitive adjustments to long-term water demand forecasts.

Redwood City Redevelopment Agency. Conducted a business attraction, retention and expansion study designed to preserve and strengthen Redwood City's industrial and retail bases. Outlined a program of economic development incentives, formulated implementation strategies, and recommended an organizational structure for a new economic development department.

ECONOMIC IMPACT ANALYSIS

University of California. Conducted economic impact studies for five University of California campuses: Berkeley, Davis, Riverside, San Francisco, and San Diego. Prepared models suitable for annual updates by campus personnel.

Various EIR Firms. Managed numerous assignments analyzing the potential for urban decay to result from development of major big box and other shopping center retailers. The analysis comprises a required Environmental Impact Report component pursuant to CEQA.

Apple Computer Inc., Hewlett Packard Corporation, and Tandem Computers, Inc. Conducted collaborative economic impact analysis demonstrating net economic benefits associated with office and R&D expansion pursuant to General Plan buildout in Cupertino, CA and related entitlements.

Bay Area Rapid Transit District. Conducted an economic impact study demonstrating BART's regional economic benefits, focusing on quality of life, regional competitiveness, smart growth, and development impacts.

Kaiser Permanente. Managed economic impact analysis for planned Kaiser facilities in Modesto (hospital) and Lancaster, California (medical office campus). The analyses included multiplier impacts for local and regional employment, wages, and vendor expenditures.

AMY L. HERMAN, AICP
Principal

FISCAL IMPACT ANALYSIS

Stanford Management Company and Stanford Hospitals. Managed numerous assignments involving fiscal impact analysis for planned facilities developed by Stanford Management Company or Stanford Hospitals, including a satellite medical campus in Redwood City, a hotel and office complex in Menlo Park, and expansion of the hospital complex and the Stanford School of Medicine in Palo Alto.
Google. Preparing a fiscal impact analysis of the master planning effort for Google's expanded headquarters presence in the City of Mountain View.
City of Concord. Structured and managed fiscal impact analysis designed to test the net fiscal impact of multiple land use alternatives pertaining to the reuse of the 5,170-acre former Concord Naval Weapons Station, leading to possible annexation into the City of Concord, California.
General Electric Company. Conducted industrial market, retail demand, and comparative fiscal impact analysis to support changing 55.1 acres of heavy industrial land to commercial use in San Jose, California. The resulting regional shopping center met with strong market acceptance.
Exxon Mobil Corporation. Prepared a fiscal and economic impact report demonstrating the role of general industry, including Exxon Mobil, on the quality of life in Benicia, California. This was performed relative to the City's General Plan Update.
Catellus (now ProLogis). Demonstrated the fiscal and economic benefits of San Francisco's 303-acre planned multi-use Mission Bay development over the 30-year projected build-out period as a precondition of City/County and Redevelopment Agency plan approval.

CORPORATE LOCATION ANALYSIS

Toyota Motor Corporation. Conducted a location analysis study for a distribution facility in the San Francisco Bay Area, designed to minimize travel time distance to the majority of area dealerships.
Cisco Systems. Managed multiple corporate location studies for Cisco Systems, headquartered in San Jose, California. These studies focused on the formulation of both a regional and a North American location strategy.
Starbucks Coffee Company. Directed analysis examining alternative locations for a new coffee roasting plant in the Western United States. A variety of economic, business, and labor market data were collected. The roasting plant was successfully sited in Sparks, Nevada.
Sacramento Regional Transportation District (RTD). Managed a consultant team assisting the RTD in planning for its immediate and long-term administrative office space needs, and in developing a strategy for maximizing the value of the existing RTD complex.
Hines. Managed comparative analysis highlighting business and employee costs associated with business locations in three competitive Bay Area locations.

DEVELOPMENT FEASIBILITY

ChevronTexaco. Conducted a regional market analysis of an 8,400-acre oil field retired from active oil production in the New Orleans, Louisiana metropolitan area.
City of San Jose. Managed alternative City Hall location analysis, focused on recommending a long-term occupation strategy for the City. Following relocation of City Hall conducted a study examining the feasibility of redeveloping the City's former City Hall location and nearby parking facilities for residential, retail, and civic land uses.
Ford Motor Land Corporation. Managed the market analysis component pertinent to the redevelopment of Ford's 157-acre Ford auto assembly plant site in Milpitas. Ford ultimately disposed of the property for the purpose of retail development through adaptive reuse.
General Motors Corporation. Managed reuse studies for closed manufacturing facilities in Indiana (250 acres, 14 sites) and New Jersey (80 acres). Studies focused on the long term reuse and redevelopment potential of the closed manufacturing sites.

AMY L. HERMAN, AICP
Principal

PROFESSIONAL AFFILIATIONS

- American Planning Association (APA) and its Economic Development Division
- American Institute of Certified Planners (AICP)
- International Economic Development Council (IEDC)
- California Association for Local Economic Development (CALED), former Board Member
- State of California, Real Estate Salesperson License, License #01821384

EDUCATION

- Ms. Herman holds a Bachelor of Arts degree in urban studies, magna cum laude, from Syracuse University. She also holds a Master of Community Planning degree from the University of Cincinnati. She has also pursued advanced graduate studies in City and Regional Planning at the University of California at Berkeley.

VOLUNTEER ACTIVITIES

- Neighborhood Captain for Earthquake Preparedness, Berkeley, California
- President, Diablo Pacific Short Line, 501 (c)(3) Portable Modular Train Organization
- Volunteer, Swanton Pacific Railroad, Santa Cruz County, California
- Volunteer, Redwood Valley Railway, Tilden Regional Park, California